



Case No. 2017-00208

Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

May 17, 2017

Executive Director
Division Of Financial Analysis
Kentucky Public Service Commissior
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

MAY 18 2017

**PUBLIC SERVICE
COMMISSION**

Case # 2017 - To Be Assigned

To Whom It May Concern:

Enclosed please find Natural Energy Utility Corporation's Gas Cost Recovery rate application to become effective on July 1, 2017. The calculated Gas Cost Recovery rate (GCR) for this reporting period is \$3.1192 and the base rate remains \$4.24. The minimum billing rate for the period July 1, 2017 to September 30, 2017 should be \$7.3592 for all MCF.

Please include me on all electronic communications regarding tariff filing and purchased gas adjustment filing at my email address of mtbneuc@aol.com. Should you require any additional information or have questions, please call me at 606-324-3920.

Sincerely,

Mark T. Baldock, CPA
Chief Financial Officer

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>UNIT</u>	<u>AMOUNT</u>
Expected Gas Cost (EGC)	\$/MCF	\$3.6853
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$0.5661)
Balance Adjustment (BA)	\$/MCF	\$0.0000

Gas Cost Recovery Rate (GCR)	\$/MCF	\$3.1192
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To Be Effective For Service Rendered From: 07/01/2017 to 09/30/2017

A) EXPECTED GAS COST CALCULATION	<u>UNIT</u>	<u>AMOUNT</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$374,149.68
/ For The Twelve Months Ended March, 2017	\$/MCF	101,524
= Expected Gas Cost (EGC)	\$/MCF	\$3.6853

B) REFUND ADJUSTMENT CALCULATION	<u>UNIT</u>	<u>AMOUNT</u>
Supplier refund adjustment for reporting period (SCH III)	\$/MCF	\$0.0000
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
= Refund Adjustment (RA)	\$/MCF	\$0.0000

C) ACTUAL ADJUSTMENT CALCULATION	<u>UNIT</u>	<u>AMOUNT</u>
Actual Adjustment for the Reporting Period (SCH IV)	\$/MCF	(\$0.1885)
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.0965)
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.0386)
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.2425)
= Actual Adjustment (AA)	\$/MCF	(\$0.5661)

D) BALANCE ADJUSTMENT CALCULATION	<u>UNIT</u>	<u>AMOUNT</u>
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
= Balance Adjustment (BA)	\$/MCF	\$0.0000

SCHEDULE II
EXPECTED GAS COST

Actual MCF Purchases For The Twelve Months Ended March, 2017

(1) SUPPLIER	(2) DTH's	(3) BTU Factor	(4) MCF	(5) Rate	(6) = (4) X (5) Cost
Marathon Petroleum	108,863	1.03	105,692	\$3.54	\$374,149.68
Totals			105,692		\$374,149.68

Line Loss For The Twelve Months Ended March, 2017 Is Based On Purchases Of
And Sales Of 101,524

105,692

	UNIT	AMOUNT
Total Expected Cost Of Purchases (6) / MCF Purchases (4)		\$374,149.68 105,692
= Average Expected Cost Per MCF Purchased		\$3.54
X Allowable MCF Purchases (Must Not Exceed MCF Sales / .95)		105,692
= Total Expected Gas Cost (SCHEDULE I, A)		\$374,149.68

SCHEDULE III

REFUND ADJUSTMENTS

	<u>UNIT</u>	<u>AMOUNT</u>
Total Supplier Refunds Received	\$\$\$	\$0.0000
+ Interest	\$\$\$	\$0.0000
= Refund Adjustment including Interest	\$\$\$	\$0.0000
<u>/ For The Twelve Months Ended March, 2017</u>	<u>MCF</u>	<u>101,524</u>
= Refund Adjustment For The Reporting Period (SCHEDULE I, B)	\$/MCF	\$0.0000

SCHEDULE IV

ACTUAL ADJUSTMENT

For The Twelve Months Ended March, 2017

Particulars	UNIT	Jan, 2017	Feb, 2017	Mar, 2017
Total Supply Volumes Purchased	MCF	18,946	13,821	14,852
Total Cost Of Volumes Purchased	\$\$\$	\$61,524	\$37,931	\$40,772
/ Total Sales	MCF	18,262	13,261	14,267
= Unit Cost Of Gas	\$/MCF	\$3.3690	\$2.8604	\$2.8578
- EGC In Effect For Month	\$/MCF	\$3.4803	\$3.4803	\$3.4803
= Difference	\$/MCF	(\$0.1113)	(\$0.6199)	(\$0.6225)
X Actual Sales During Month	\$/MCF	18,262	13,261	14,267
= Monthly Cost Difference	\$\$\$	(\$2,033)	(\$8,221)	(\$8,882)
			UNIT	Amount
Total Cost Difference			\$\$\$	(\$19,136)
/ For The Twelve Months Ended March, 2017			MCF	101,524
= Actual Adjustment For The Reporting Period (SCHEDULE I, C)			\$\$\$	(\$0.1885)

May Not Be Less Than 95% Of Supply Volume