

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

**RECEIVED**

JUL 20 2017

PUBLIC SERVICE  
COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT  
FILING OF SENTRA COPORATION

) CASE NO.  
) 2017-00258

**SENTRA CORPORATION RESPONSE TO**  
**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

Submitted by:

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JOHN N. HUGHES  
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PROFESSIONAL SERVICE CORPORATION  
124 WEST TODD STREET  
FRANKFORT, KENTUCKY 40601

TELEPHONE: (502) 227-7270

[jnhughes@johnnhughespsc.com](mailto:jnhughes@johnnhughespsc.com)

June 19, 2017

John Lyons  
Acting Executive Director  
Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

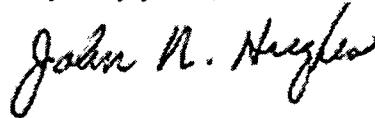
Re: Sentra Corporation: Case No. 2017-00258

Dear Mr. Lyons:

Attached is the response to the Commission's order of June 13.

If you have any questions about this matter, please contact me.

Very truly yours,



John N. Hughes

Attorney for Sentra Corporation

Attachment

AFFIDAVIT

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

Affiant, Jerrica Whitaker, appearing personally before me a notary public for and of the Commonwealth of Kentucky and after being first sworn, deposes, states, acknowledges, affirms and declares that she is authorized to submit this Response on behalf of Sentra Corporation and that the information contained in the Response is true and accurate to the best of her knowledge, information and belief, after a reasonable inquiry and as to those matters that are based on information provided to her, he believes to be true and correct.

Jerrica Whitaker

This instrument was produced, signed, acknowledged and declared by Jerrica Whitaker to be her act and deed the 19th day of July, 2017.

Deborah L. Reed

Notary Public

Registration Number: 509474

My Commission expires: 4-11-2018

Sentra Corporation  
Response to AG  
Case No.: 2017-00258

- 1. Explain why a \$1.00 per dekatherm or \$1.06 per Mcf, Clay Gas Transportation Fee is included for the first time in this filing as part of Sentra's Expected Gas Cost, and why the fee was not included previously as part of Sentra's gas cost calculation.**

Witness: Whitaker

Response: In recent review of Sentra, it has just been brought to our attention that this charge was not being passed on to Sentra's customers.

Sentra Corporation  
Response to AG  
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- 2. Explain whether Sentra pays \$1.00 per dekatherm to Clay Gas monthly for use of a pipeline.**

Witness: Whitaker

Response: Yes, this cost is for Sentra to use Clay Gas pipeline for transportation of gas.

Sentra Corporation  
Response to AG  
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- 3. Explain whether Sentra's entire gas supply is transported using the pipeline that is subject of the Assignment of Pipeline, Regulator Station, Meter Site and Pipeline Tap agreement included with Sentra's application.**

Witness: Whitaker

Response: Yes, all of Sentra's gas is transported using Clay Gas pipeline.

- 4. Explain whether the Total Cost of Volumes Purchased for February, March, and April 2017 as shown in Schedule IV includes charges from Clay Gas.**

Witness: Whitaker

Response: Yes, the total cost of volumes purchased for February, March, and April include the \$1.00 per dekatherm, or \$1.06 per MCF charge from Clay Gas.

Sentra Corporation  
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- 5. Provide invoices for the three months shown in the Actual Adjustment on Schedule IV that support the \$13,310.63, \$16,869.52, and \$6,156.38 gas cost reported for the three months.**

Witness: Whitaker

Response: Sentra has provided invoices from Greystone, LLC that include the cost Sentra and Clay Gas purchased gas for from Greystone during these three months. The invoices include gas purchased by Sentra and on behalf of Clay Gas. Sentra has also included an amended GCR due to a mistake being made on the first filed GCR.

Sentra Corporation

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**QUARTERLY REPORT OF GAS COST  
RECOVERY RATE CALCULATION**

Date Filed: **30-Jun-17**

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Date Rates to be Effective: **August 1, 2017**

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Reporting Period is Calendar Quarter Ended: **April 30, 2017**

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**SCHEDULE I**  
**GAS COST RECOVERY RATE SUMMARY**

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	4.5082
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	0.0228
+ Balance Adjustment (BA)	\$/Mcf	-
= Gas Cost Recovery Rate (GCR)	\$/Mcf	4.5310

GCR to be effective for service rendered from: **\*\*\*\* 2017**

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	106,097.33
+ Sales for the 12 months ended 4/30/2017	Mcf	23,534.40
- Expected Gas Cost (EGC)	\$/Mcf	4.5082
<b>B. REFUND ADJUSTMENT CALCULATION</b>	<b>Unit</b>	<b>Amount</b>
Supplier Refund Adjustment for Reporting Period (Sch. III)	\$/Mcf	\$ -
+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+ Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
= Refund Adjustment (RA)	\$/Mcf	\$ -
<b>C. ACTUAL ADJUSTMENT CALCULATION</b>	<b>Unit</b>	<b>Amount</b>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	\$ 0.0228
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	-
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	-
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	-
= Actual Adjustment (AA)	\$/Mcf	\$ 0.0228
<b>D. BALANCE ADJUSTMENT CALCULATION</b>	<b>Unit</b>	<b>Amount</b>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	\$ -
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	-
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	-
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	-
= Balance Adjustment (BA)	\$/Mcf	\$ -

SCHEDULE II  
EXPECTED GAS COST

Actual\* Mcf Purchase for 12 months ended

01/31/17

(1) Supplier	(2) NYMEX Dth	(3) Heat Rate	(4) Mcf	(5) ** Rate	Greystone Adder	Clay Gas Transportation Fee	(6) (2) x (5)+(6) Cost
Greystone, LLC	2.9870	1.0630	1,292.00	3.1752	0.27	1.06	5,824.57
Greystone, LLC	2.9870	1.0630	3,984.30	3.1752	0.27	1.06	17,961.95
Greystone, LLC	2.9870	1.0630	2,669.60	3.1752	0.27	1.06	12,035.04
Greystone, LLC	2.9870	1.0630	6,546.80	3.1752	0.27	1.06	29,514.16
Greystone, LLC	2.9870	1.0630	3,559.40	3.1752	0.27	1.06	16,046.42
Greystone, LLC	2.9870	1.0630	2,061.30	3.1752	0.27	1.06	9,292.71
Greystone, LLC	2.9870	1.0630	1,400.70	3.1752	0.27	1.06	6,314.61
Greystone, LLC	2.9870	1.0630	284.30	3.1752	0.27	1.06	1,281.68
Greystone, LLC	2.9870	1.0630	344.60	3.1752	0.27	1.06	1,553.52
Greystone, LLC	2.9870	1.0630	118.10	3.1752	0.27	1.06	532.42
Greystone, LLC	2.9870	1.0630	543.60	3.1752	0.27	1.06	2,450.65
Greystone, LLC	2.9870	1.0630	729.70	3.1752	0.27	1.06	3,289.62
<b>Totals</b>	<b>35.8440</b>		<b>23,534.40</b>				<b>106,097.33</b>

Line losses are 23,534.40 Mcf and sales of \_\_\_\_\_ 0.00% for 12 months ended 4/30/2017 based on purchases of \_\_\_\_\_ 23,534.40 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6) (to Schedule IA.)	\$	\$ 106,097.33
/ Mcf Purchases (4)	Mcf	23,534.40
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 4.5082
x Allowable Mcf Purchases (not to exceed 5%)	Mcf	23,534.40
= Total Expected Gas Cost	\$	\$ 106,097.33

\*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

\*\*Supplier's tariff sheets or notices are attached.

SCHEDULE III  
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended

1/31/2017

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	\$ -
+ Interest	\$	\$ -
<hr/>		
= Refund Adjustment including interest	\$	\$ -
+ Sales for 12 months ended <u>1/31/2017</u>	Mcf	<u>23,534</u>
<hr/>		
=Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	\$ -

SCHEDULE IV  
ACTUAL ADJUSTMENT

Page 5

For the 5 month period ended 4/30/2017

*This schedule will not be used until new PGA has been used 6 months*

		Feb-17	Mar-17	Apr-17	
<u>Particulars</u>	<u>Unit</u>				
Total Supply Volumes Purchased	Mcf	2,669.60	3,984.30	1,292.00	<i>Enter monthly Mcf purchases first</i>
Total Cost of Volumes Purchased	\$	\$ 12,520.42	\$ 15,877.44	\$ 5,794.62	<i>Enter monthly \$ purchases second</i>
/ Total Sales	Mcf	<u>2,669.60</u>	<u>3,984.30</u>	<u>1,292.00</u>	
(may not be less than 95% of supply volumes) (G8*0.95)					
= Unit Cost of Gas	\$/Mcf	\$ 4.6900	\$ 3.9850	\$ 4.4850	
- EGC in effect for month	\$/Mcf	\$ 4.2355	\$ 4.2355	\$ 4.2355	<i>Enter EGC that the Commission approved for months 1, 2, and 3</i>
= Difference [ (Over-)/Under-Recovery]	\$/Mcf	\$ 0.4545	\$ (0.2505)	\$ 0.2495	
x Actual sales during month	Mcf	<u>2,669.60</u>	<u>3,984.30</u>	<u>1,292.00</u>	<i>Enter monthly Mcf sales third</i>
= Monthly cost difference	\$	1,213.33	(998.07)	322.35	
	<u>Unit</u>	<u>Amount</u>			
Total cost difference (Month 1 + Month 2 + Month 3)	\$	\$ 537.62			
+ Sales for 12 months ended <u>4/30/2017</u>	Mcf	<u>23,534</u>			
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	\$ 0.0228			

SCHEDULE V  
BALANCE ADJUSTMENT

Appendix B  
Page 6

For the 3 month period ended

1/31/2017

Line	Particulars	Unit	Amount
	Utility Gas Management		
(1)	Total cost difference from actual adjustment used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	-
1			
2 Less:	Dollars amount resulting from the AA of _____ - \$/MCF as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of 23,534 MCF during the 12 month period the AA was in effect.	\$	0.00
3			
4 Equals:	Balance Adjustment for the AA.	\$	-
(3)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	-
5			
6 Less:	Dollar amount resulting from the RA of _____ - \$/MCF as used to compute the OCR in effect four quarters prior to the effective GCR times the sales of 23,534 MCF during the 12 month period the RA was in effect.	\$	-
7			
8 Equals:	Balance Adjustment for the RA.	\$	-
(3)	Total Balance Adjustment used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	-
9			
10 Less:	Dollar amount resulting from the BA of _____ - \$/MCF four quarters prior to the effective date of the currently effective GCR times the sales of 23,534 MCF during the 12 month period the BA was in effect.	\$	-
11			
12 Equals:	Balance Adjustment for the BA.	\$	-
13	Total Balance Adjustment Amount (1) + (2) + (3)	\$	0.00
14 Divided By:	Sales for 12 months ended 1/31/2017	\$	23,534
15 Equals:	Balance Adjustment for the Reporting Period (to Schedule ID).	\$/MCF	0.000000

**Greystone, LLC**  
**600 The Grange Lane**  
**Lexington, KY 40511**  
**Tel (859) 321-1500**

**INVOICE 030817-16**

**3-8-2017**

BILL TO

**Sentra Gas**  
**120 Prosperous Place**  
**Suite 201**  
**Lexington, KY 40509**

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
7.025 Dth	February, 2017 Gas Supply and Balancing (Clay Gas - TETCO #73161)	\$3.690	\$25,922.25



**TOTAL \$25,922.25**  
**TOTAL DUE BY 3.27.2017**

Greystone, LLC  
600 The Grange Lane  
Lexington, KY 40511  
Tel (859) 321-1500



INVOICE 040917-16 4-9-2017

BILL TO  
Sentra Gas  
120 Prosperous Place  
Suite 201  
Lexington, KY 40509



QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
9,683 Dth	March, 2017 Gas Supply and Balancing (Clay Gas - TETCO #73161)	\$2.9850	\$28,903.75

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By \_\_\_\_\_

TOTAL \$28,903.75  
TOTAL DUE BY 4.25.2017

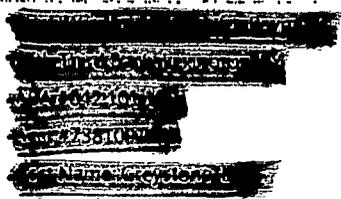


Greystone, LLC  
 600 The Grange Lane  
 Lexington, KY 40511  
 Tel (859) 321-1500

INVOICE 051217-16 5.12.2017

BILL TO

Sentra Gas  
 120 Prosperous Place  
 Suite 201  
 Lexington, KY 40509



QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
3,005 Dth	April, 2017 Gas Supply and Balancing (Clay Gas - TETCO #73161)	\$3.485	\$10,472.43



TOTAL \$10,472.43  
 TOTAL DUE BY 5.25.2017