



Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

August 23, 2017

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

RECEIVED

AUG 24 2017

PUBLIC SERVICE
COMMISSION

Case # 2017 - To Be Assigned

To Whom It May Concern:

Enclosed please find ten (10) copies of Natural Energy Utility Corporation's Gas Cost Recovery rate application to become effective on October 1, 2017. The calculated Gas Cost Recovery rate (GCR) for this reporting period is \$3.0726 and the base rate remains \$4.24. The minimum billing rate for the period October 1, 2017 to December 31, 2017 should be \$7.3126 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	\$3.5160
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$0.4433)
Balance Adjustment (BA)	\$/MCF	\$0.0000

Gas Cost Recovery Rate (GCR)	\$/MCF	\$3.0726
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To Be Effective For Service Rendered From: 10/01/2017 to 12/31/2017

A) EXPECTED GAS COST CALCULATION	<u>UNIT</u>	<u>AMOUNT</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$352,753.70
/ For The Twelve Months Ended June, 2017	\$/MCF	100,329
= Expected Gas Cost (EGC)	\$/MCF	\$3.5160

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	(\$0.1197)
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.1885)
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.0965)
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.0386)
= Actual Adjustment (AA)	\$/MCF	(\$0.4433)

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 June, 2017

(1) SUPPLIER	(2) DTH's	(3) BTU Factor	(4) MCF	(5) Rate	(6) = (4) X (5) Cost
Marathon Petroleum	107,496	1.03	104,365	\$3.38	\$352,753.70
Totals			104,365		\$352,753.70

Line Loss For The Twelve Months Ended June, 2017 Is Based On Purchases Of 104,365
And Sales Of 100,329

	UNIT	AMOUNT
Total Expected Cost Of Purchases (6) / MCF Purchases (4)		\$352,753.70 104,365
= Average Expected Cost Per MCF Purchased		\$3.38
X Allowable MCF Purchases (Must Not Exceed MCF Sales / .95)		104,365
= Total Expected Gas Cost (SCHEDULE I, A)		\$352,753.70

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 June, 2017</u>	<u>MCF</u>	<u>100,329</u>
= Refund Adjustment For The Reporting Period (SCHEDULE I, B)	\$/MCF	\$0.0000

SCHEDULE IV

ACTUAL ADJUSTMENT

For The Twelve Months Ended June, 2017

Particulars	UNIT	Apr, 2017	May, 2017	Jun, 2017
Total Supply Volumes Purchased	MCF	5,771	4,317	5,528
Total Cost Of Volumes Purchased	\$\$\$	\$17,589	\$13,149	\$15,771
/ Total Sales	MCF	5,563	4,160	5,295
= Unit Cost Of Gas	\$/MCF	\$3.1617	\$3.1607	\$2.9785
- EGC In Effect For Month	\$/MCF	\$3.8968	\$3.8968	\$3.8968
= Difference	\$/MCF	(\$0.7351)	(\$0.7361)	(\$0.9183)
X Actual Sales During Month	\$/MCF	5,563	4,160	5,295
= Monthly Cost Difference	\$\$\$	(\$4,089)	(\$3,062)	(\$4,862)
			UNIT	Amount
Total Cost Difference			\$\$\$	(\$12,014)
/ For The Twelve Months Ended June, 2017			MCF	100,329
= Actual Adjustment For The Reporting Period (SCHEDULE I, C)			\$\$\$	(\$0.1197)

May Not Be Less Than 95% Of Supply Volume