

# BURKESVILLE GAS COMPANY, INC.

119 Upper River St. - P. O. Box 69, Burkesville, Kentucky 42717  
Telephone (270) 864-9400 - Fax (270) 864-5135

Business Office Address  
P.O. Box 861 Greenville, Texas 75403  
Fax (888) 823-7417

RECEIVED

AUG 28 2017

PUBLIC SERVICE  
COMMISSION

August 24, 2017

Commonwealth of Kentucky  
Public Service Commission  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

Case No. 2017-00351

RE: Quarterly Purchase Gas Adjustment

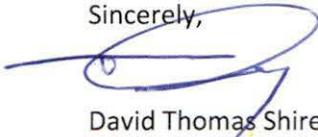
Dear Sir:

Enclosed are the original and 10 copies of the necessary filings for the quarterly report of the Gas Cost Recovery Rate Calculation for Burkesville Gas Company, Inc. for the reporting period ended June 30, 2017. Burkesville Gas requests the new rates to be effective for services rendered on and after September 28, 2017.

Additionally, I ask for it to be considered if the formulas contained in the quarterly report of the Gas Cost Recovery Rate Calculation should be revised to accommodate the Company's current practice of increasing the pressure of the transmission line in the late fall and early winter for increased heating season demand and decreasing pressure in the spring and early summer for decreased demand. This practice makes it appear in the Gas Cost Recovery Rate Calculations that there is a greater than actual unaccounted for and lost gas in the fall and early winter and that we sell more gas than is purchased in the spring and early summer.

If you need additional information, please feel free to contact me at (903)-268-5122 or by email at [DTSHIREYLL@GMAIL.COM](mailto:DTSHIREYLL@GMAIL.COM).

Sincerely,



David Thomas Shirey Jr.  
President

Enclosures

BURKESVILLE GAS COMPANY

QUARTERLY REPORT OF GAS COST  
RECOVERY RATE CALCULATION

RECEIVED

AUG 28 2017

PUBLIC SERVICE  
COMMISSION

DATE FILED:

25-Aug-17

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RATES TO BE EFFECTIVE:

28-Sep-17

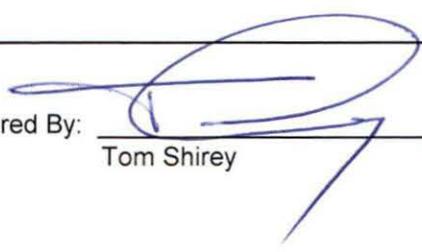
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REPORTING PERIOD IS CALENDER MONTH ENDED:

30-Jun-17

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Prepared By:

  
Tom Shirey

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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	7.8986
Refund Adjustment (RA)	\$/Mcf	0.0000
Actual Adjustment (AA)	\$/Mcf	(0.0837)
Balance Adjustment (BA)	\$/Mcf	0.0000
Gas Cost Recovery Rate (GCR)	\$/Mcf	7.8148

To be effective for service rendered from September 28, 2017

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	285,255.6743
/Sales for the 12 months ended June 30, 2017	\$/Mcf	36,114.8500
Expected Gas Cost	\$/Mcf	7.8986
<u>B. REFUND ADJUSTMENT CALCULATION</u>	<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
<u>C. ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV) (Calendar Qtr 4 - End June 30, 2017, effective Sept 28, 2017)	\$/Mcf	(0.1559)
+ Previous Quarter Reported Actual Adjustment (Calendar Qtr 3 - End March 31, 2017 - Effective 6/27/17)	\$/Mcf	(0.0140)
+ Second Previous Quarter Reported Actual Adjustment (Calendar Qtr 2 - End Dec 2017, Effective 3/28/2017)	\$/Mcf	0.0202
+ Third Previous Quarter Reported Actual Adjustment (Calendar Qtr 1 - End Sept 2017, Effective 12/27/2016)	\$/Mcf	0.0660
=Actual Adjustment (AA)	\$/Mcf	(0.0837)
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	0.0000
+Previous Quarter Reported Balance Adjustment	\$/Mcf	0.0000
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	0.0000
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	0.0000
=Balance Adjustment (BA)	\$/Mcf	0.0000

SCHEDULE II  
EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended June 30, 2017

(1) Supplier	(2) DTH	(3) Btu Conversion Factor	(4) MCF	(5) Rate	(6) (4) x (5) Cost
Petrol Energy, LLC	41,548	1.0649	39,017	4.9516	\$193,198.20
Apache Gas Transmission	41,548	1.0649	39,017	2.5520	99,571.38

Totals			39,017	7.5036	\$292,769.58
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Line loss for 12 months ended 6/30/2017 is based on purchases of 39,017.00  
and sales of 36,114.85 Mcf. 7.44%

	Unit	Amount
Total Expected Cost of Purchases (6)		\$292,769.58
/ Mcf Purchases (4)		39,017
= Average Expected Cost Per Mcf Purchased		\$7.5036
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		38,015.63
= Total Expected Gas Cost (to Schedule IA)		\$285,255.67

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Description		Unit	Amount
Supplier Refunds Received during 3 Month Period	0	\$	
Interest Factor (90 Day Commercial Paper Rate)			
Refunds Including Interest		\$	\$0.00
Divided by 12 Month Projected Sales Ended	0	Mcf	
<u>Current Supplier Refund Adjustment</u>			<u>\$0.00</u>

## SCHEDULE IV

## ACTUAL ADJUSTMENT

For the three months ending June 30, 2017

Particulars	Unit	1688		
		April Month 1	May Month 2	June Month 3
Total Supply Volumes Purchased per TETCO	Mcf	1,914.0000	1,587.0000	1,196.0000
Total Cost of Volumes Purchased	\$	\$14,599.73	\$11,595.44	\$9,788.45
/ Total Sales *	Mcf	2,032.5000	1,507.6500	1,505.3000
= Unit Cost of Gas	\$/Mcf	7.1831	7.6911	6.5027
- EGC in Effect for Month	\$/Mcf	8.2483	8.2483	8.2483
= Difference	\$/Mcf	(1.0652)	(0.5572)	(1.7456)
x Actual Sales during Month	Mcf	2,032.5000	1,505.9000	1,505.3000
= Monthly Cost Difference	\$	(2,164.9398)	(839.1315)	(2,627.7204)
Total Cost Difference			\$	(5,631.79)
/ Sales for 12 months ended			Mcf	36,114.8500
= Actual Adjustment for the Reporting Period (to Sch IC)				(0.1559)

\* May not be less than 95% of supply volume

SCHEDULE V

Case No.

Effective Date	Mcf Sales	Factor	Refunded	Balance
<u>Beginning Balance</u>				
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0

Under/(Over) Recovery      \$0  
Mcf Sales for factor      36,115  
BA Factor      \$0.0000

Total Purchases  
 Expected Gas Cost

<u>Month</u>	<u>MCF from TETCO Report</u>			<u>Close Out Report</u>
	<u>MCF Purchased</u>	<u>Expected Rate</u>	<u>Expected Cost</u>	<u>MCF Sales</u>
Jul-16	1,111	\$ 7.5036	\$ 8,336.55	1,038
Aug-16	1,860	\$ 7.5036	\$ 13,956.77	1,203
Sep-16	1,258	\$ 7.5036	\$ 9,439.58	1,140
Oct-16	2,236	\$ 7.5036	\$ 16,778.14	1,787
Nov-16	3,693	\$ 7.5036	\$ 27,710.95	3,659
Dec-16	6,780	\$ 7.5036	\$ 50,874.69	5,703
Jan-17	6,894	\$ 7.5036	\$ 51,730.11	6,552
Feb-17	4,580	\$ 7.5036	\$ 34,366.68	4,972
Mar-17	5,908	\$ 7.5036	\$ 44,331.51	5,018
Apr-17	1,914	\$ 7.5036	\$ 14,361.97	2,033
May-17	1,587	\$ 7.5036	\$ 11,908.28	1,506
Jun-17	1,196	\$ 7.5036	\$ 8,974.36	1,505
<b>Total</b>	<b>39,017</b>	<b>\$ 7.5036</b>	<b>\$ 292,769.58</b>	<b>36,115</b>