

# BURKESVILLE GAS COMPANY, INC.

Case No. 2017-00448

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**

NOV 27 2017

PUBLIC SERVICE  
COMMISSION

November 21, 2017

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

RE: Quarterly Purchase Gas Adjustment

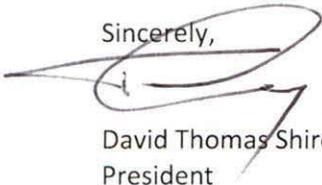
Dear Sir:

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 September 30, 2017. Burkesville Gas requests the new rates to be effective for services rendered on and after December 27, 2017.

Again, 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**

NOV 27 2017

PUBLIC SERVICE  
COMMISSION

DATE FILED:

21-Nov-17

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RATES TO BE EFFECTIVE:

27-Dec-17

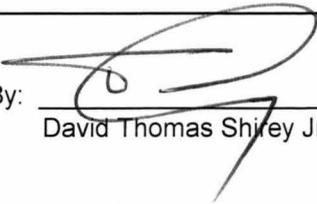
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REPORTING PERIOD IS CALENDER MONTH ENDED:

30-Sep-17

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Prepared By:

  
David Thomas Shirey Jr.

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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	7.6423
Refund Adjustment (RA)	\$/Mcf	0.0000
Actual Adjustment (AA)	\$/Mcf	(0.0664)
Balance Adjustment (BA)	\$/Mcf	0.0000
Gas Cost Recovery Rate (GCR)	\$/Mcf	7.5759

To be effective for service rendered from December 27, 2017

A. EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	278,877.8480
/Sales for the 12 months ended September 30, 2017	\$/Mcf	36,491.4000
Expected Gas Cost	\$/Mcf	7.6423

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) (Calendar Qtr 4 - End Sept 30, 2017, effective Dec 27, 2017)	\$/Mcf	(0.1248)
+ Previous Quarter Reported Actual Adjustment (Calendar Qtr 3 - End June 31, 2017 - Effective 9/28/17)	\$/Mcf	0.0521
+ Second Previous Quarter Reported Actual Adjustment (Calendar Qtr 2 - End March 2017, Effective 6/28/2017)	\$/Mcf	(0.0140)
+ Third Previous Quarter Reported Actual Adjustment (Calendar Qtr 1 - End Dec 30 2017, Effective 03/27/2017)	\$/Mcf	0.0202
=Actual Adjustment (AA)	\$ Mcf	(0.0664)

D. BALANCE ADJUSTMENT CALCULATION

	<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 September 30, 2017

(1) Supplier	(2) DTH	(3) Btu Conversion Factor	(4) MCF	(5) Rate	(6) (4) x (5) Cost
Petrol Energy, LLC	40,648	1.0586	38,399	4.7106	\$180,883.60
Apache Gas Transmission	40,648	1.0586	38,399	2.5520	97,994.25

Totals			38,399	7.2626	\$278,877.85
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Line loss for 12 months ended 9/30/2017 is based on purchases of 38,399.00  
and sales of 36,491.40 Mcf. 4.97%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$278,877.85
/ Mcf Purchases (4)		38,399
= Average Expected Cost Per Mcf Purchased		\$7.2626
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		38,399.00
= Total Expected Gas Cost (to Schedule IA)		\$278,877.85

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 September 30, 2017

<u>Particulars</u>	<u>Unit</u>	<u>July</u>	<u>August</u>	<u>September</u>
		Month 1	Month 2	Month 3
Total Supply Volumes Purchased per TETCO	Mcf	1,049.0000	1,214.0000	1,139.0000
Total Cost of Volumes Purchased	\$	\$8,564.70	\$8,774.22	\$8,250.22
/ Total Sales *	Mcf	1,375.5000	1,229.2000	1,152.3000
= Unit Cost of Gas	\$/Mcf	6.2266	7.1382	7.1598
- EGC in Effect for Month	\$/Mcf	8.0229	8.0229	8.0229
= Difference	\$/Mcf	(1.7963)	(0.8847)	(0.8631)
x Actual Sales during Month	Mcf	1,375.5000	1,229.2000	1,152.3000
= Monthly Cost Difference	\$	(2,470.8030)	(1,087.5303)	(994.5681)
Total Cost Difference			\$	(4,552.90)
/ Sales for 12 months ended			Mcf	36,491.4000
= Actual Adjustment for the Reporting Period (to Sch IC)				(0.1248)

\* 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

Under/(Over) Recovery           \$0  
Mcf Sales for factor           36,491  
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>
Oct-16	2,236	\$ 7.2626	\$ 16,239.25	1,787
Nov-16	3,693	\$ 7.2626	\$ 26,820.90	3,659
Dec-16	6,780	\$ 7.2626	\$ 49,240.65	5,703
Jan-17	6,894	\$ 7.2626	\$ 50,068.59	6,552
Feb-17	4,580	\$ 7.2626	\$ 33,262.86	4,972
Mar-17	5,908	\$ 7.2626	\$ 42,907.64	5,018
Apr-17	1,914	\$ 7.2626	\$ 13,900.68	2,033
May-17	1,587	\$ 7.2626	\$ 11,525.80	1,506
Jun-17	1,196	\$ 7.2626	\$ 8,686.11	1,505
Jul-17	1,106	\$ 7.2626	\$ 8,032.47	1,376
Aug-17	1,290	\$ 7.2626	\$ 9,368.80	1,229
Sep-17	1,215	\$ 7.2626	\$ 8,824.10	1,152
<b>Total</b>	<b>38,399</b>	<b>\$ 7.2626</b>	<b>\$ 278,877.85</b>	<b>36,491</b>