



Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

February 20, 2018

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

RECEIVED

FEB 19 2018

PUBLIC SERVICE
COMMISSION

Case # 2018 - 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 April 1, 2018. The calculated Gas Cost Recovery rate (GCR) for this reporting period is \$3.5135 and the base rate remains \$4.24. The minimum billing rate for the period April 1, 2018 to June 30, 2018 should be \$7.7535 for all MCF.

Please include me on all electronic communications regarding tariff filing and purchased gas adjustment filing at Mark.Baldock@kyneuc.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

FEB 19 2018

PUBLIC SERVICE
COMMISSION

Case No. 2018-00071

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>UNIT</u>	<u>AMOUNT</u>
Expected Gas Cost (EGC)	\$/MCF	\$4.1884
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$0.6749)
Balance Adjustment (BA)	\$/MCF	\$0.0000
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Gas Cost Recovery Rate (GCR)	\$/MCF	\$3.5135
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To Be Effective For Service Rendered From:	4/1/2018 to 6/30/2018	
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A) EXPECTED GAS COST CALCULATION	UNIT	AMOUNT
Total Expected Gas Cost (SCH II)	\$/MCF	\$558,550.86
/ For The Twelve Months Ended December, 2017	\$/MCF	133,358
= Expected Gas Cost (EGC)	\$/MCF	\$4.1884
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B) REFUND ADJUSTMENT CALCULATION	UNIT	AMOUNT
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
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C) ACTUAL ADJUSTMENT CALCULATION	UNIT	AMOUNT
Actual Adjustment for the Reporting Period (SCH IV)	\$/MCF	(\$0.2629)
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.1038)
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.1197)
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.1885)
= Actual Adjustment (AA)	\$/MCF	(\$0.6749)
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D) BALANCE ADJUSTMENT CALCULATION	UNIT	AMOUNT
+ 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 December, 2017

(1) SUPPLIER	(2) DTH's	(3) BTU Factor	(4) MCF	(5) Rate	(6) = (4) X (5) Cost
Marathon Petroleum	143,111	1.03	138,943	\$4.02	\$558,550.86
Totals			138,943		\$558,550.86

Line Loss For The Twelve Months Ended December, 2017 Is Based On Purchases Of 138,943
And Sales Of 133,358

	UNIT	AMOUNT
Total Expected Cost Of Purchases (6) / MCF Purchases (4)		\$558,550.86 138,943
= Average Expected Cost Per MCF Purchased		\$4.02
X Allowable MCF Purchases (Must Not Exceed MCF Sales / .95)		138,943
= Total Expected Gas Cost (SCHEDULE I, A)		\$558,550.86

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 December, 2017</u>	<u>MCF</u>	<u>133,358</u>
= Refund Adjustment For The Reporting Period (SCHEDULE I, B)	\$/MCF	\$0.0000

SCHEDULE IV

ACTUAL ADJUSTMENT

For The Twelve Months Ended December, 2017

<u>Particulars</u>	<u>UNIT</u>	<u>Oct, 2017</u>	<u>Nov, 2017</u>	<u>Dec, 2017</u>
Total Supply Volumes Purchased	MCF	9,201	20,655	29,338
Total Cost Of Volumes Purchased	\$\$\$	\$24,592	\$60,132	\$79,583
<u>/ Total Sales</u>	<u>MCF</u>	<u>8,834</u>	<u>19,862</u>	<u>28,008</u>
= Unit Cost Of Gas	\$/MCF	\$2.7838	\$3.0275	\$2.8414
- EGC In Effect For Month	\$/MCF	\$3.5160	\$3.5160	\$3.5160
= Difference	\$/MCF	(\$0.7322)	(\$0.4885)	(\$0.6746)
X Actual Sales During Month	\$/MCF	8,834	19,862	28,008
= Monthly Cost Difference	\$\$\$	(\$6,468)	(\$9,703)	(\$18,893)
			<u>UNIT</u>	<u>Amount</u>
Total Cost Difference			\$\$\$	(\$35,064)
<u>/ For The Twelve Months Ended December, 2017</u>			<u>MCF</u>	<u>133,358</u>
= Actual Adjustment For The Reporting Period (SCHEDULE I, C)			<u>\$\$\$</u>	<u>(\$0.2629)</u>

May Not Be Less Than 95% Of Supply Volume