



# Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

November 27, 2019

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

RECEIVED

DEC 02 2019

PUBLIC SERVICE  
COMMISSION

Case # 2019 - 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 January 1, 2020. The calculated Gas Cost Recovery rate (GCR) for this reporting period is \$2.9504 and the base rate remains \$4.24. The minimum billing rate for the period January 1, 2020 to March 31, 2020 should be \$7.1904 for all MCF.

Please include me on all electronic communications regarding tariff filing and purchased gas adjustment filing at [Mark.Baldock@kyneuc.com](mailto:Mark.Baldock@kyneuc.com). Should you require any additional information or have questions, please call me at 606-324-3920.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark T. Baldock", is written over a horizontal line.

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	\$3.3465
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$0.3961)
Balance Adjustment (BA)	\$/MCF	\$0.0000
<b>Gas Cost Recovery Rate (GCR)</b>	<b>\$/MCF</b>	<b>\$2.9504</b>

To Be Effective For Service Rendered From: 1/1/2020 to 3/31/2020

<b>A) EXPECTED GAS COST CALCULATION</b>	<u>UNIT</u>	<u>AMOUNT</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$627,033.60
/ For The Twelve Months Ended September, 2019	\$/MCF	187,370
= Expected Gas Cost (EGC)	\$/MCF	\$3.3465

<b>B) REFUND ADJUSTMENT CALCULATION</b>	<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

<b>C) ACTUAL ADJUSTMENT CALCULATION</b>	<u>UNIT</u>	<u>AMOUNT</u>
Actual Adjustment for the Reporting Period (SCH IV)	\$/MCF	(\$0.0181)
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.1549)
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	(\$0.3497)
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.1266
= Actual Adjustment (AA)	\$/MCF	(\$0.3961)

<b>D) BALANCE ADJUSTMENT CALCULATION</b>	<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 September, 2019**

(1) SUPPLIER	(2) DTH's	(3) BTU Factor	(4) MCF	(5) Rate	(6) = (4) X (5) Cost
Marathon Petroleum	204,374	1.043	195,948	\$3.20	\$627,033.60
<b>Totals</b>			195,948		\$627,033.60

Line Loss For The Twelve Months Ended September, 2019 Is Based On Purchases Of 195,948  
 And Sales Of 187,370

	UNIT	AMOUNT
Total Expected Cost Of Purchases (6)		\$627,033.60
/ MCF Purchases (4)		195,948
<b>= Average Expected Cost Per MCF Purchased</b>		<b>\$3.20</b>
<b>X Allowable MCF Purchases (Must Not Exceed MCF Sales / .95)</b>		<b>195,948</b>
<b>= Total Expected Gas Cost (SCHEDULE I, A)</b>		<b>\$627,033.60</b>

**SCHEDULE III**

**REFUND ADJUSTMENTS**

	<b>UNIT</b>	<b>AMOUNT</b>
<b>Total Supplier Refunds Received</b>	\$\$\$	\$0.0000
<b>+ Interest</b>	\$\$\$	\$0.0000
<b>= Refund Adjustment including Interest</b>	\$\$\$	\$0.0000
<b><u>/ For The Twelve Months Ended September, 2019</u></b>	<b>MCF</b>	<b>187,370</b>
<b>= Refund Adjustment For The Reporting Period (SCHEDULE I, B)</b>	<b>\$/MCF</b>	<b>\$0.0000</b>

**SCHEDULE IV**

**ACTUAL ADJUSTMENT**

**ths Ended September, 2019**

<u>Particulars</u>	<u>UNIT</u>	<u>Jul, 2019</u>	<u>Aug, 2019</u>	<u>Sep, 2019</u>
Total Supply Volumes Purchased	MCF	5,268	4,917	5,507
Total Cost Of Volumes Purchased	\$\$\$	\$15,073	\$13,329	\$15,534
/ Total Sales	MCF	5,018	4,683	5,245
<b>= Unit Cost Of Gas</b>	<b>\$/MCF</b>	<b>\$3.0038</b>	<b>\$2.8463</b>	<b>\$2.9618</b>
<b>- EGC In Effect For Month</b>	<b>\$/MCF</b>	<b>\$3.1661</b>	<b>\$3.1661</b>	<b>\$3.1661</b>
<b>= Difference</b>	<b>\$/MCF</b>	<b>(\$0.1623)</b>	<b>(\$0.3198)</b>	<b>(\$0.2043)</b>
<b>X Actual Sales During Month</b>	<b>\$/MCF</b>	<b>5,018</b>	<b>4,683</b>	<b>5,245</b>
<b>= Monthly Cost Difference</b>	<b>\$\$\$</b>	<b>(\$815)</b>	<b>(\$1,498)</b>	<b>(\$1,072)</b>
			<u>UNIT</u>	<u>Amount</u>
<b>Total Cost Difference</b>			\$\$\$	(\$3,384)
<b>/ For The Twelve Months Ended September, 2019</b>			MCF	187,370
<b>= Actual Adjustment For The Reporting Period (SCHEDULE I, C)</b>			\$\$\$	(\$0.0181)

\*\*\*May Not Be Less Than 95% Of Supply Volume\*\*\*