



Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

November 30, 2021

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

Case # 2021-00446

To Whom It May Concern:

Enclosed please find Natural Energy Utility Corporation's Gas Cost Recovery rate application to become effective on January 1, 2022. The calculated Gas Cost Recovery rate (GCR) for this reporting period is \$7.2356 and the base rate remains \$4.24. The minimum billing rate for the period January 1, 2021 to March 31, 2022 should be \$11.4756 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

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

| <u>Component</u> | <u>UNIT</u> | <u>AMOUNT</u> |
|---|-----------------------|-----------------|
| Expected Gas Cost (EGC) | \$/MCF | \$6.7383 |
| Refund Adjustment (RA) | \$/MCF | \$0.0000 |
| Actual Adjustment (AA) | \$/MCF | \$0.4973 |
| Balance Adjustment (BA) | \$/MCF | \$0.0000 |
| Gas Cost Recovery Rate (GCR) | \$/MCF | \$7.2356 |
| <hr/> | | |
| To Be Effective For Service Rendered From: | 1/1/2022 to 3/31/2022 | |
| <hr/> | | |
| A) EXPECTED GAS COST CALCULATION | UNIT | AMOUNT |
| Total Expected Gas Cost (SCH II) | \$/MCF | \$928,495.80 |
| / For The Twelve Months Ended September, 2021 | \$/MCF | 137,794 |
| = Expected Gas Cost (EGC) | \$/MCF | \$6.7383 |
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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 | \$0.0614 |
| + Previous Quarter Supplier Refund Adjustment | \$/MCF | (\$0.0779) |
| + Second Previous Quarter Supplier Refund Adjustment | \$/MCF | \$0.0676 |
| + Third Previous Quarter Supplier Refund Adjustment | \$/MCF | \$0.4462 |
| = Actual Adjustment (AA) | \$/MCF | \$0.4973 |
| <hr/> | | |
| 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 September, 2021

| (1) SUPPLIER | (2) DTH's | (3) BTU Factor | (4) MCF | (5) Rate | (6) = (4) X (5) Cost |
|--------------------|--------------|-------------------|------------|-------------|----------------------------|
| Marathon Petroleum | 150,459 | 1.0468 | 143,730 | \$6.46 | \$928,495.80 |
| Totals | | | 143,730 | | \$928,495.80 |

Line Loss For The Twelve Months Ended September, 2021 Is Based On Purchases Of
And Sales Of 137,794 143,730

| | UNIT | AMOUNT |
|---|------|-------------------------|
| Total Expected Cost Of Purchases (6) / MCF Purchases (4) | | \$928,495.80 143,730 |
| = Average Expected Cost Per MCF Purchased | | \$6.46 |
| X Allowable MCF Purchases (Must Not Exceed MCF Sales / .95) | | 143,730 |
| = Total Expected Gas Cost (SCHEDULE I, A) | | \$928,495.80 |

SCHEDULE III

REFUND ADJUSTMENTS

| | <u>UNIT</u> | <u>AMOUNT</u> |
|---|-------------|-----------------|
| Total Supplier Refunds Received | \$\$\$ | \$0.0000 |
| + Interest | \$\$\$ | \$0.0000 |
| = Refund Adjustment including Interest | \$\$\$ | <u>\$0.0000</u> |
| <u>/ For The Twelve Months Ended September, 2021</u> | <u>MCF</u> | <u>137,794</u> |
| = Refund Adjustment For The Reporting Period (SCHEDULE I, B) | \$/MCF | \$0.0000 |

SCHEDULE IV
ACTUAL ADJUSTMENT

For The Twelve Months Ended September, 2021

| <u>Particulars</u> | <u>UNIT</u> | <u>Jul, 2021</u> | <u>Aug, 2021</u> | <u>Sep, 2021</u> |
|--|---------------|------------------|------------------|------------------|
| Total Supply Volumes Purchased | MCF | 3,854 | 4,379 | 4,719 |
| Total Cost Of Volumes Purchased | \$\$\$ | \$12,500 | \$16,216 | \$20,607 |
| <u>/ Total Sales</u> | <u>MCF</u> | <u>3,700</u> | <u>4,211</u> | <u>4,526</u> |
| = Unit Cost Of Gas | \$/MCF | \$3.3785 | \$3.8508 | \$4.5531 |
| - EGC In Effect For Month | \$/MCF | \$3.2856 | \$3.2856 | \$3.2856 |
| = Difference | \$/MCF | \$0.0929 | \$0.5652 | \$1.2675 |
| <u>X Actual Sales During Month</u> | <u>\$/MCF</u> | <u>3,700</u> | <u>4,211</u> | <u>4,526</u> |
| = Monthly Cost Difference | \$\$\$ | \$344 | \$2,380 | \$5,737 |
| | | | <u>UNIT</u> | <u>Amount</u> |
| Total Cost Difference | | | \$\$\$ | \$8,461 |
| <u>/ For The Twelve Months Ended September, 2021</u> | | | <u>MCF</u> | <u>137,794</u> |
| = Actual Adjustment For The Reporting Period (SCHEDULE I, C) | | | <u>\$\$\$</u> | <u>\$0.0614</u> |

May Not Be Less Than 95% Of Supply Volume