

BURKESVILLE GAS COMPANY, INC.

119 Upper River St. - P. O. Box 69

Burkesville, Kentucky 42717

Telephone (270) 864-9400 - Fax (270) 864-5135

Corporate Office

5005 Live Oak, Greenville, Texas 75402

Telephone (903) 454-3600 - Fax (903) 454-2320

2008-00467

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NOV 12 2008

PUBLIC SERVICE
COMMISSION

November 10, 2008

Ms. Stephanie Stumbo
Executive Director
Commonwealth of Kentucky
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: Purchased Gas Adjustment

Dear Ms. Stumbo:

Enclosed are the original and 10 copies of the necessary filings for the monthly report of the Gas Cost Recovery Rate Calculation for Burkesville Gas Company, Inc. for the reporting period ending October 10, 2008.

Since this filing will result in a reduction of the gas cost recovery rate, Burkesville Gas Company, Inc. requests the Commission to shorten the notice period from thirty (30) days to a period of not less than twenty (20) days as provided for in the Kentucky Revised Statutes 278.180. This will enable Burkesville Gas to pass on the reduction to its customers. Also, please accept this faxed copy as received by the Commission in order to allow for the notice period of twenty (20) days. The original and 10 copies are being sent overnight UPS.

If you need additional information, please contact me at 903-454-3600 or by e-mail at beverette1@verizon.net.

Thank you in advance for your consideration of this matter.

Very truly yours,



Brenda Everette

Enclosure

CASE #

2008-00467

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PUBLIC SERVICE
COMMISSION

BURKESVILLE GAS COMPANY

**MONTHLY REPORT OF GAS COST
RECOVERY RATE CALCULATION**

DATE FILED:

10-Nov-08

RATES TO BE EFFECTIVE:

1-Dec-08

REPORTING PERIOD IS CALENDER MONTH ENDED:

31-Oct-08

Prepared By:

Brenda Everett

Brenda Everett

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$15.2808
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$2.4638)
Balance Adjustment (BA)	\$/Mcf	\$0.0000
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$12.8170

to be effective for service rendered from.

A. EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$572,082.78
/Sales for the 12 months ended	\$/Mcf	37,437.90
Expected Gas Cost	\$/Mcf	\$15.2808

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	
+Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
=Refund Adjustment (RA)	\$ Mcf	\$0.0000

C. ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	(\$0.2932)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.8434
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.7829)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$2.2311)
=Actual Adjustment (AA)	\$ Mcf	(\$2.4638)

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	
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	
=Balance Adjustment (BA)	\$ Mcf	\$0.0000

SCHEDULE II
EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended _____

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Eagle Energy Partners		1.03	39,313	\$12.00	\$471,756.00
Apache Gas Transmission			39,313	\$2.5520	100,326.78

Totals			78,626		\$572,082.78
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Line loss for 12 months ended 10/31/2008 is based on purchases of 39,313.00
and sales of 37,437.90 Mcf. 4.77%

	Unit	Amount
Total Expected Cost of Purchases (6)		\$572,082.78
/ Mcf Purchases (4)		39,313
= Average Expected Cost Per Mcf Purchased		\$14.5520
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		39,313.00
= Total Expected Gas Cost (to Schedule IA)		\$572,082.78

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Description		Unit	Amount
Supplier Refunds Received during 2 Month Period Interest Factor (90 Day Commercial Paper Rate) Refunds Including Interest	2007	\$	
Divided by 12 Month Projected Sales Ended	2008	Mcf	\$0.00
<u>Current Supplier Refund Adjustment</u>			<u>\$0.00</u>

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 month period ended October 31, 2008

Particulars	Unit	Jul-08	Aug-08	Sep-08	Oct-08
		Month 1	Month 2	Month 3	Month 4
Total Supply Volumes Purchased	Mcf	796	936	812	2053
Total Cost of Volumes Purchased	\$	\$13,953.05	\$12,271.24	\$9,757.46	\$21,996.51
/ Total Sales *	Mcf	884.0	889.2	771.4	1,950.4
= Unit Cost of Gas	\$/Mcf	\$15.7840	\$13.8003	\$12.6490	\$11.2782
- EGC in Effect for Month	\$/Mcf	\$15.4317	\$15.4317	\$16.0142	\$16.0142
= Difference	\$/Mcf	\$0.3523	(\$1.6314)	(\$3.3652)	(\$4.7360)
x Actual Sales during Month	Mcf	884.0	712.0	761.0	1,597.9
= Monthly Cost Difference	\$	\$311.43	(\$1,161.55)	(\$2,560.90)	(\$7,567.59)
Total Cost Difference			\$	(\$10,978.61)	
/ Sales for 12 months ended			Mcf	37,437.9	
= Actual Adjustment for the Reporting Period (to Sch IC)				(\$0.2932)	

* May not be less than 95% of supply volume

Case No.

Effective Date	Mcf Sales	Factor	Refunded	Balance
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Beginning Balance			\$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 37,438
BA Factor \$0.0000

Total Purchases
Expected Gas Cost

<u>Month</u>	<u>MCF Purchased</u>	<u>Expected Rate</u>	<u>Expected Cost</u>	<u>MCF Sales</u>
Nov-07	3,590	14.552	52,241.68	3,422
Dec-07	5,671	14.552	82,524.39	5,403
Jan-08	8,781	14.552	127,781.11	8,469
Feb-08	6,384	14.552	92,899.97	6,023
Mar-08	5,533	14.552	80,516.22	5,330
Apr-08	2,593	14.552	37,733.34	2,586
May-08	1,271	14.552	18,495.59	1,438
Jun-08	893	14.552	12,994.94	812
Jul-08	796	14.552	11,583.39	884
Aug-08	936	14.552	13,620.67	712
Sep-08	812	14.552	11,816.22	761
Oct-08	2,053	14.552	29,875.26	1,598
Total	39,313		572,082.78	37,438