

**COW CREEK GAS INC.**

**347 THOMPSON RD  
PIKEVILLE KY 41501**

**PH 606-437-6147**

**FAX 606-437-6040**

2009-00193

May 22, 2009

**Ms. Stephanie Stumbo  
Public Service Commission  
P. O. Box 615  
211 Sower Blvd.  
Frankfort, KY 40602**

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COMMISSION

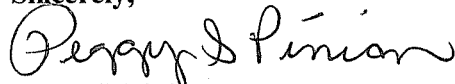
**RE: Cow Creek Gas, Inc.  
GCA Filing**

**Ms. Stumbo:**

**Enclosed is the GCA filing for the portion of the system of Cow Creek Gas, Inc. ("Cow Creek") that was formerly served by Sigma Gas Corporation ("Sigma"). This GCA is filed pursuant to the Sigma tariff adopted by Cow Creek pursuant to the Commission's Order in Case No. 2007-00419. I have enclosed ten copies for filing.**

**If you have any questions, please contact us at the above number.**

**Sincerely,**



**Peggy S. Pinion  
Controller**

**Enclosure**

Cow Creek Gas, Inc.

Quarterly Report of Gas Cost  
Recovery Rate Calculation

Date Filed:

May 22, 2009

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Date Rates to be Effective:

July 1, 2009

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Reporting Period is Calendar Quarter Ended:

March 31, 2009

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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	7.0642
+ Refund Adjustment (RA)	\$/Mcf	0
+ Actual Adjustment (AA)	\$/Mcf	0.27339
+ Balance Adjustment (BA)	\$/Mcf	0
= Gas Cost Recovery Rate (GCR)		7.33759

GCR to be effective for service rendered from January 1, 2009 to April 1, 2009

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	268,334.03
÷	Sales for the 12 months ended <u>March 31, 2009</u>	Mcf	37,985
=	Expected Gas Cost (EGC)	\$/Mcf	7.0642

B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch.III)		
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
=	Refund Adjustment (RA)	\$/Mcf	0

C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	0.17746
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	0.09593
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	0
=	Actual Adjustment (AA)	\$/Mcf	0.27339

D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	0
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	0
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	0
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	0
=	Balance Adjustment (BA)		0

SCHEDULE II  
EXPECTED GAS COST

Actual \* MCF Purchases for 12 months ended March 31, 2009

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
DLR Enterprises	3,213	1.0	3,213	6.711	21,562.44
DLR Enterprises	1,413	1.0	1,413	6.711	9,482.64
DLR Enterprises	857	1.0	857	6.711	5,751.33
DLR Enterprises	530	1.0	530	6.711	3,556.83
DLR Enterprises	607	1.0	607	6.711	4,073.58
DLR Enterprises	603	1.0	603	6.711	4,046.73
DLR Enterprises	1,315	1.0	1,315	6.711	8,824.97
DLR Enterprises	3,587	1.0	3,587	6.711	24,072.36
DLR Enterprises	6,170	1.0	6,170	6.711	41,406.87
DLR Enterprises	8,545	1.0	8,545	6.711	57,345.50
DLR Enterprises	7,981	1.0	7,981	6.711	53,560.49
DLR Enterprises	5,479	1.0	5,479	6.711	36,769.57
Totals	<u>40,300</u>		<u>40,300</u>		<u>270,453.31</u>

Line loss for 12 months ended March 31, 2009 is 5.74% based on purchases of  
40,300 Mcf and sales of 37,985 Mcf.

Total Expected Cost of Purchases (6)	<u>Unit</u> \$	<u>Amount</u> 270,453.31
÷ Mcf Purchases (4)	Mcf	40,300
= Average Expected Cost Per Mcf Purchased	\$/Mcf	6.711
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	39,984.21
= Total Expected Gas Cost (to Schedule IA)	\$	268,334.03

\*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

\*\*Supplier's tariff sheets or notices are attached.

## SCHEDULE III

## SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended \_\_\_\_\_ Not Applicable \_\_\_\_\_

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	
+ Interest	\$	
<hr/> = Refund Adjustment including interest	\$	<hr/>
÷ Sales for 12 months ended	Mcf	
<hr/> <hr/> = Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	<hr/>

## SCHEDULE IV

## ACTUAL ADJUSTMENT

For the 3 month period ended

March 31, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (January )</u>	<u>Month 2 (February)</u>	<u>Month 3 (March)</u>
Total Supply Volumes Purchased	Mcf	8,545	7,981	5,479
Total Cost of Volumes Purchased	\$	67,859.26	63,380	43,510.93
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	8,216	7,674	5,268
= Unit Cost of Gas	\$/Mcf	8.26	8.26	8.26
- EGC in effect for month	\$/Mcf	7.9414	7.9414	7.9414
= Difference [(over-)/Under-Recovery]	\$/Mcf	0.3186	0.3186	0.3186
x Actual sales during month	Mcf	8,216	7,674	5,268
= Monthly cost difference	\$	2,617.62	2,444.94	1,678.38
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	6,740.94
÷ Sales for 12 months ended	March 31, 2009		Mcf	37,985
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	.17746

## SCHEDULE V

## BALANCE ADJUSTMENT

For the 3 month period ended March 31, 2009

	<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1)	Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	0
	<b>Less:</b> Dollar amount resulting from the AA of <u>0</u> \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of <u>37,985</u> Mcf during the 12-month period the AA Was in effect.	\$	0
	<b>Equals:</b> Balance Adjustment for the AA.	\$	<u>0</u>
(2)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		
	<b>Less:</b> Dollar amount resulting from the RA of <u>0</u> \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of <u>37,985</u> Mcf during the 12-month period the RA was in effect.	\$	0
	<b>Equals:</b> Balance Adjustment for the RA	\$	<u>0</u>
(3)	Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	0
	<b>Less:</b> Dollar amount resulting from the BA of <u>0</u> \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of <u>37,985</u> Mcf during the 12-month period the BA was in effect.	\$	0
	<b>Equals:</b> Balance Adjustment for the BA.	\$	<u>0</u>
	Total Balance Adjustment Amount (1) + (2) + (3)	\$	<u>0</u>
÷	Sales for 12 months ended <u>March 31, 2009</u>	Mcf	<u>37,985</u>
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	0

### Estimated Gas Cost Computation per MCF

	Quarter Beginning:	7/1/2009
	Quarter Ending:	9/30/2009
Monthly delivery contracts settle price on 1st day of month prior to beginning of quarter:		
NYMEX settle price on May 12, 2009 for gas sold in July 2009	\$	4.634
NYMEX settle price on May 12, 2009 for gas sold in August 2009		4.715
NYMEX settle price on May 12, 2009 for gas sold in September 2009		4.783
Average Est. NYMEX settle price as of May 12, 2009		4.711
Add: Transportation charge per MCF		<u>2.000</u>
Estimated gas cost computation per MCF	\$	<u><u>6.711</u></u>