

Elam Utility Company
459 Main Street
West Liberty, Kentucky 41472
606-743-3695 fax 606-743-2292

RECEIVED

Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

JUL 02 2009

PUBLIC SERVICE
COMMISSION

2009-00257

Dear Sir:

Please find enclosed the Gas Cost Recovery filing for Elam Utility Company for the period ending MAY, 2009.

If you have any questions or need additional information please contact Harrod and Associates at 502-695-7300.

Sincerely,



President

Enc.

ELAM UTILITY COMPANY

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

RECEIVED
JUL 02 2009
PUBLIC SERVICE
COMMISSION

Date Filed:

JULY 2, 2009

Date Rates to be Effective:

AUGUST 1, 2009

Reporting Period is Calendar Quarter Ended:

MAY 2009

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

| <u>Component</u> | <u>Unit</u> | <u>Amount</u> |
|---------------------------------------|---------------|----------------|
| Expected Gas Cost (EGC) | \$/Mcf | 13.6851 |
| + Refund Adjustment (RA) | \$/Mcf | 0.0000 |
| + Actual Adjustment (AA) | \$/Mcf | 7.3953 |
| + Balance Adjustment (BA) | \$/Mcf | 0.0000 |
| <u>= Gas Cost Recovery Rate (GCR)</u> | <u>\$/Mcf</u> | <u>21.0804</u> |

GCR to be effective for service rendered from _____ to _____

| A. <u>EXPECTED GAS COST CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|---|---------------|----------------|
| Total Expected Gas Cost (Schedule II) | \$ | 675,441 |
| + Sales for the 12 months ended <u>MAY 2009</u> | Mcf | 49,356 |
| <u>= Expected Gas Cost (EGC)</u> | <u>\$/Mcf</u> | <u>13.6851</u> |

| B. <u>REFUND ADJUSTMENT CALCULATION</u> | <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 |
| <u>= Refund Adjustment (RA)</u> | <u>\$/Mcf</u> | <u>0.0000</u> |

| C. <u>ACTUAL ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|--|---------------|---------------|
| Actual Adjustment for the Reporting Period (Schedule IV) | \$/Mcf | 7.3953 |
| + Previous Quarter Reported Actual Adjustment | \$/Mcf | 0.0000 |
| + Second Previous Quarter Reported Actual Adjustment | \$/Mcf | 0.0000 |
| + Third Previous Quarter Reported Actual Adjustment | \$/Mcf | 0.0000 |
| <u>= Actual Adjustment (AA)</u> | <u>\$/Mcf</u> | <u>7.3953</u> |

| D. <u>BALANCE ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|--|---------------|---------------|
| Balance Adjustment for the Reporting Period (Schedule V) | \$/Mcf | 0.0000 |
| + Previous Quarter Reported Balance Adjustment | \$/Mcf | 0.0000 |
| + Second Previous Quarter Reported Balance Adjustment | \$/Mcf | 0.0000 |
| + Third Previous Quarter Reported Balance Adjustment | \$/Mcf | 0.0000 |
| <u>= Balance Adjustment (BA)</u> | <u>\$/Mcf</u> | <u>0.0000</u> |

SCHEDULE II
EXPECTED GAS COST

| Actual* Mcf Purchases for 13 months ended <u>MAY 2009</u> | | | | | |
|---|-------------------|--|-------------------|----------------------|--------------------------------|
| (1) <u>Supplier</u> | (2) <u>Dth</u> | (3) Btu <u>Conversion Factor</u> | (4) <u>Mcf</u> | (5)** <u>Rate</u> | (6) <u>(4)x(5) Cost</u> |
| SEMINOLE | 53,933 | 1069.1 | 50.447 | 12.00 | 605,364 |
| JEFFERSON | 2,504 | 1000.00 | 2,504 | 8.74 | 21,885 |
| COLUMBIA GAS | 53,933 | 1069.11 | 50.447 | .9553 | 48,892 |

56,437

52,951

675,441

Totals

Line loss for 13 months ended 5/31/09 is 0.00% based on purchases of 52,800 Mcf and sales of 48,002 Mcf.

| | <u>Unit</u> | <u>Amount</u> |
|--|-------------|---------------|
| Total Expected Cost of Purchases (6) | \$ | |
| + <u>Mcf Purchases (4)</u> | Mcf | <u>N/A</u> |
| = Average Expected Cost Per Mcf Purchased | \$/Mcf | |
| x <u>Allowable Mcf purchases (must not exceed Mcf sales + .95)</u> | Mcf | <u>N/A</u> |
| = Total Expected Gas Cost (to Schedule IA.) | \$ | |

*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 5/31/09 (REPORTING PERIOD)

| <u>Particulars</u> | <u>Unit</u> | <u>Amount</u> |
|--|-------------|---------------|
| Total supplier refunds received | \$ | 0.00 |
| <u>+ Interest</u> | \$ | <u>0.00</u> |
| = Refund Adjustment including interest | \$ | 0.00 |
| <u>+ Sales for 12 months ended _____</u> | Mcf | <u>0.00</u> |
| = Supplier Refund Adjustment for the Reporting Period (to Schedule IB.) | \$/Mcf | 0.00 |

ELAM UTILITY
GAS COST RECOVERY RATE CALCULATION
SCHEDULE IV

| Particulars | Unit | May-08 | Jun-08 | Jul-08 | Aug-08 | Sep-08 | Oct-08 | Nov-08 | Dec-08 | Jan-09 | Feb-09 | Mar-09 | Apr-09 | May-09 | TOTAL |
|--|--------|-------------|-------------|-------------|-----------|-----------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|------------|--------------|
| Total Supply Volumes Purchased | Mcf | 1,487 | 651 | 632 | 630 | 718 | 6,924 | 6,947 | 8,588 | 9,373 | 7,702 | 5,236 | 2,809 | 1,254 | 52,951 |
| Total Cost of Volumes Purchased | \$ | 2,529.57 | 1,711.29 | 1,726.85 | 34,669.09 | 16,528.75 | 1,693.77 | 17,088.86 | 31,672.08 | 38,493.52 | 10,798.83 | 6,079.80 | 3,504.36 | 120,869.21 | 287,366 |
| Total Sales | Mcf | 1,991 | 977 | 1,137 | 847 | 882 | 1,246 | 4,662 | 8,166 | 10,932 | 8,297 | 5,347 | 3,518 | 1,354 | 49,356 |
| = Unit Cost of Gas | \$/Mcf | 1.2705 | 1.7516 | 1.5188 | 40.9316 | 18.7401 | 1.3594 | 3.6656 | 3.8785 | 3.5212 | 1.3015 | 1.1370 | 0.9961 | 89.2682 | 5.8223 |
| - EGC in effect for month | \$/Mcf | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 | 13.2176 |
| = Difference [(Over-)/Under-Recovery] | \$/Mcf | (11.9471) | (11.4660) | (11.6988) | 27.7140 | 5.5225 | (11.8582) | (9.5520) | (9.3391) | (9.6964) | (11.9161) | (12.0806) | (12.2215) | 76.0506 | (7.3953) |
| x Actual sales during month | Mcf | 1,991 | 977 | 1,137 | 847 | 882 | 1,246 | 4,662 | 8,166 | 10,932 | 8,297 | 5,347 | 3,518 | 1,354 | 49,356 |
| = Monthly cost difference | \$ | (23,786.67) | (11,202.31) | (13,301.56) | 23,473.78 | 4,870.83 | (14,775.36) | (44,531.59) | (76,262.84) | (106,001.28) | (98,867.60) | (64,594.71) | (42,995.16) | 102,972.58 | (365,001.89) |

SCHEDULE V

BALANCE ADJUSTMENT

For the /3 month period ended 5/31/09

| <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. | \$ | |
| Less: Dollar amount resulting from the AA of _____ \$/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 _____ Mcf during the 12-month period the AA was in effect. | \$ | |
| Equals: Balance Adjustment for the AA. | \$ | <u>0.000</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. | \$ | |
| Less: Dollar amount resulting from the RA of _____ \$/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 _____ Mcf during the 12-month period the RA was in effect. | \$ | |
| Equals: Balance Adjustment for the RA. | \$ | <u>0.000</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. | \$ | |
| Less: Dollar amount resulting from the BA of _____ \$/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 _____ Mcf during the 12-month period the BA was in effect. | \$ | |
| Equals: Balance Adjustment for the BA. | \$ | <u>0.000</u> |
| Total Balance Adjustment Amount (1) + (2) + (3) | \$ | <u>0.000</u> |
| ÷ Sales for 12 months ended _____ | Mcf | |
| = Balance Adjustment for the Reporting Period (to Schedule ID.) | \$/Mcf | <u>0.000</u> |