



Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602

RECEIVED

DEC 08 2009

PUBLIC SERVICE
COMMISSION

December 7, 2009

Case #: 2009-00???

Dear Mr. Derouen

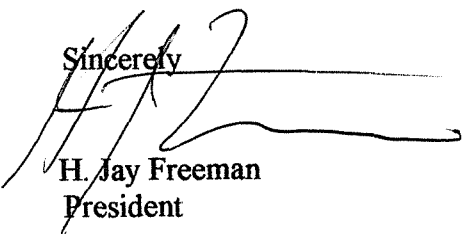
2009-00481

Please be advised that Natural Energy Utility Corporation (NEUC) has acquired the assets of American Natural Gas Corporation (ANGC) pursuant to the Order issued in Case # 2002-00050. NEUC is adopting the Rules, Rates and Regulations enforced by ANGC pursuant to Administrative Regulation 807 KAR 5:011, Section 15(6).

Natural Energy Utility Corporation is providing the following information in filing its quarterly gas cost report with the Kentucky PSC. The enclosed report has a case number of 2009-00???. The calculated gas cost recovery rate for this reporting period is \$4.4319. The base rate remains \$4.24. The minimum billing rate starting January 01, 2010 should be \$8.6719 for all MCF.

Thank you for your cooperation and please call me if you have any questions.

Sincerely


H. Jay Freeman
President

Enclosure

SCHEDULE II

EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended 9/30/2009

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5) Rate	(6) (4) X (5) Cost	
Marathon Petroleum	99,910		1.03	97,000	\$5.50	\$533,500

Totals				97,000		\$533,500.00
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Line loss for 12 months ended 09/30/2009 is based on purchase of 97,000
and sales of 95,786 Mcf

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$533,500.00
/ Mcf Purchases (4)		<u>97,000</u>
= Average Expected Cost Per Mcf Purchased		\$5.50
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		<u>95,786</u>
= Total Expected Gas Cost (to Schedule I A)		\$526,823.00

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/MCF	\$5.5697
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$1.1378)
Balance Adjustment (BA)	\$/MCF	\$0.0000
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Gas Cost Recovery Rate (GCR)	\$/MCF	\$4.4319

to be effective for service rendered from: 01-01-10 to 03-31-10

A) EXPECTED GAS COST CALCULATION	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$533,500.00
/ Sales for the 12 Months ended: September 30,2009	\$/MCF	95,786
= Expected Gas Cost (EGC)	\$/MCF	\$5.5697

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	\$0.0000
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
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= 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	(\$0.1392)
+ Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.1043)
+ Second Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.6943)
+ Third Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.2000)
<hr/>		
= Actual Adjustment (AA)	\$/MCF	(\$1.1378)

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

SCHEDULE III

REFUND ADJUSTMENTS

	<u>Unit</u>	<u>Amount</u>
Total Supplier Refuds Received	\$	\$0.00
+ INTEREST	\$	\$0.00
= Refund Adjustment including Interest	\$	\$0.00
/ Sales for 12 Months Ended Sep-09	Mcf	95,786
= Supplier Refund Adjustment for the Reporting Period (To Schedule IB)	\$/Mcf	\$0.00

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 month period ended: Sep-09

<u>Particulars</u>	<u>Unit</u>	<u>Jul-09</u>	<u>Aug-09</u>	<u>Sep-09</u>
Total Supply Volumes Purchased	Mcf	3,250	3,500	3,500
Total Cost of Volumes Purchased	\$	\$13,155	\$13,481	\$12,359
/ Total Sales	Mcf	2,942	3,248	3,208
= Unit Cost of Gas	\$/Mcf	\$4.4715	\$4.1504	\$3.8526
- EGC in Effect fo Month	\$/Mcf	\$5.5682	\$5.5682	\$5.5682
= Difference	\$/Mcf	(\$1.0967)	(\$1.4178)	(\$1.7156)
X Actual Sales during Month	Mcf	2,942	3,248	3,208
= Monthly Cost Difference	\$	(\$3,227)	(\$4,605)	(\$5,504)

	<u>Unit</u>	<u>Amount</u>
Total Cost Difference	\$	(\$13,335)
/ Sales for 12 Months ended Sep-09	Mcf	95,786
= Actual Adjustment for the Reporting Period (to SCH IC)	\$	(\$0.1392)

May not be less than 95% of Supply Volume