

Jefferson Gas, LLC
220 Lexington Green, Bldg 2, Suite 130
P.O. Box 24032
Lexington, KY 40524-4032
Tele (859) 245-8193

March 30, 2010

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

2010-00133

RECEIVED

MAR 30 2010

PUBLIC SERVICE
COMMISSION

RE: Jefferson Gas, LLC
Case No.
GCR Filing Proposed to Become
Effective May 1, 2010

Dear Mr. Derouen:

Enclosed are an original and five copies of Jefferson Gas Transmission's Gas Cost Recovery (GCR) filing for rates proposed to become effective May 1, 2010. Also included are an original and five copies of 38th revised sheet No. 1 of Jefferson's PSC Kentucky No. 1 Tariff, which is being filed pursuant to the Purchased Gas Adjustment provision of that Tariff.

This filing proposes a GCR rate of \$1.5878 per MCF of sales.

Sincerely,



Bert R. Layne

Jefferson Gas, LLC

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: March 30, 2010

Date Rates to be Effective: May 1, 2010

Reporting Period is Calendar Quarter Ended: July 31, 2010

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	3.2872
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	(1.6994)
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		1.5878

GCR to be effective for service rendered from May 1, 2010 to July 31, 2010

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	
÷	Sales for the 12 months ended _____	Mcf	
=	Expected Gas Cost (EGC)	\$/Mcf	
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	
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
=	Refund Adjustment (RA)	\$/Mcf	
C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.5628)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1039)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0733)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.9594)
=	Actual Adjustment (AA)	\$/Mcf	(1.6994)
D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	
=	Balance Adjustment (BA)		

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
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Totals _____

Line loss for 12 months ended _____ is _____ % based on purchases of _____ Mcf and sales of _____ Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	_____
÷ Mcf Purchases (4)	Mcf	_____
= Average Expected Cost Per Mcf Purchased	\$/Mcf	_____
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	_____
= 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.

\$3.2872 Per Attached Schedule



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Henry Hub Natural Gas Futures

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Quotes Time & Sales Volume Settlements
Futures | Options

About this Report

Trade Date

Thursday, March 25 2010

Daily Settlements for Henry Hub Natural Gas Futures (FINAL)

Trade Date: 03/25/2010

Month	Open	High	Low	Last	Change	Settle	Estimated Volume	Prior Day Open Interest
APR 10	4.092	4.112	3.940	4.045	-.124	3.981	86,899	31,387
MAY 10	4.140	4.160	3.989	4.125	-.125	4.029	75,473	233,110
JUN 10	4.208	4.225	4.060	4.100B	-.120	4.102	20,030	58,410
JUL 10	4.310	4.313	4.154A	4.190	-.117	4.196	14,379	72,210
AUG 10	4.380	4.380	4.217	4.254	-.118	4.261	5,750	31,610
SEP 10	4.384	4.392	4.254	4.289	-.117	4.297	7,786	37,610
OCT 10	4.519	4.519	4.363	4.445	-.113	4.406	16,817	58,710
NOV 10	4.844	4.851	4.735	4.769	-.097	4.774	3,186	15,410
DEC 10	5.276	5.276	5.161	5.185	-.077	5.199	3,306	25,710
JAN 11	5.494	5.494	5.383	5.423	-.075	5.419	10,256	39,910
FEB 11	5.442	5.442	5.355	5.382	-.071	5.386	1,698	16,210
MAR 11	5.330	5.330	5.250	5.274	-.071	5.275	3,519	35,810
APR 11	5.075	5.075	5.017A	5.045	-.051	5.040	2,991	30,910
MAY 11	5.036	5.045	5.029	5.041	-.050	5.039	450	15,010
JUN 11	5.100	5.100	5.064	5.090	-.050	5.082	102	6,210
JUL 11	5.125	5.150	5.119	5.140	-.050	5.147	230	4,710
AUG 11	5.185	5.221	5.181	5.190	-.050	5.199	218	4,510
SEP 11	5.240	5.245	5.240	5.245	-.050	5.234	24	4,310
OCT 11	5.329	5.339	5.312	5.321	-.050	5.332	534	14,510
NOV 11	5.600	5.610	5.578	5.590	-.048	5.589	87	4,310
DEC 11	5.910	5.910	5.865	5.875	-.048	5.889	239	11,410
JAN 12	6.130	6.130	6.078	6.085	-.048	6.094	1,677	7,310
FEB 12	6.070	6.070	6.035	6.052	-.046	6.051	139	2,810
MAR 12	5.900	5.900	5.865	5.865	-.043	5.869	1,441	9,410
APR 12	5.450	5.450	5.420	5.420	-.011	5.431	99	4,110
MAY 12	5.440	5.440	5.410	5.410	-.011	5.421	18	3,210
JUN 12	5.455	5.455	5.455	5.455	-.011	5.464	1	1,410
JUL 12	5.500	5.500	5.500	5.500	-.008	5.524	3	1,310
AUG 12	-	-	-	-	-.008	5.574	44	1,910
SEP 12	-	-	-	-	-.008	5.609	87	1,564
OCT 12	-	-	-	-	-.006	5.711	45	2,662
NOV 12	-	-	5.950A	5.950A	-.003	5.954	11	1,823
DEC 12	6.230	6.230	6.180	6.180	-.003	6.227	13	5,680
JAN 13	6.450	6.450	6.450	6.450	-.003	6.431	2	2,790
FEB 13	6.410	6.410	6.410	6.410	-.003	6.396	1	1,088
MAR 13	6.200	6.200	6.190A	6.190A	-.003	6.186	3	1,964
APR 13	5.710	5.710	5.700	5.700A	+0.017	5.721	8	1,615
MAY 13	5.650	5.670	5.650	5.670	+0.017	5.686	33	1,262
JUN 13	-	-	-	-	+0.017	5.736	-	714
JUL 13	-	-	-	-	+0.017	5.806	-	737
AUG 13	-	-	-	-	+0.017	5.861	-	629
SEP 13	-	-	-	-	+0.017	5.896	-	488
OCT 13	-	-	-	-	+0.017	6.006	-	1,579
NOV 13	-	-	-	-	+0.017	6.251	-	393
DEC 13	-	-	-	-	+0.017	6.521	-	5,733
JAN 14	-	-	-	-	+0.017	6.726	-	2,589
FEB 14	-	-	-	-	+0.017	6.696	-	143
MAR 14	-	-	-	-	+0.017	6.486	23	405
APR 14	-	-	-	-	+0.042	6.016	-	1,452
MAY 14	-	-	-	-	+0.042	5.976	-	213
JUN 14	-	-	-	-	+0.042	6.031	-	101
JUL 14	-	-	-	-	+0.042	6.106	-	95
AUG 14	-	-	-	-	+0.042	6.166	-	95
SEP 14	-	-	-	-	+0.042	6.201	15	88
OCT 14	-	-	-	-	+0.042	6.311	15	327

4 - 029000+
4 - 102000+
4 - 196000+
12 - 327000+*
12 - 327000+
3 - =
4 - 109000+*
4 - 109000+
0 - 8=
3 - 287200+*

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____

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

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended January 31, 2010

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (Nov 09)</u>	<u>Month 2 (Dec 09)</u>	<u>Month 3 (Jan 10)</u>
Total Supply Volumes Purchased	Mcf	2,053	5,977	6,387
Total Cost of Volumes Purchased	\$	\$5,584.16	\$17,632.15	\$26,186.70
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	2,053	5,977	6,387
= Unit Cost of Gas	\$/Mcf	2.7200	2.9500	4.1000
- EGC in effect for month	\$/Mcf	4.4102	4.4102	4.4102
= Difference [(over-)/Under-Recovery]	\$/Mcf	(1.6902)	(1.4602)	(.3102)
x Actual sales during month	Mcf	2,053	5,977	6,387
= Monthly cost difference	\$	(3,469.98)	(8,727.62)	(1,981.25)
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	(14,178.85)
÷ Sales for 12 months ended December 31, 2009			Mcf	25,194
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	(.5628)

Jefferson Gas, LLC

Mcfs Sold Last 12 Months

01/31/09	5,298
02/28/09	3,893
03/31/09	2,725
04/30/09	1,900
05/31/09	654
06/30/09	313
07/31/09	385
08/31/09	415
09/30/09	414
10/31/09	1,167
11/30/09	2,053
12/31/09	5,977
	25,194

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____ (reporting period)

	<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.	\$	_____
(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	\$	_____
(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.	\$	_____
	Total Balance Adjustment Amount (1) + (2) + (3)	\$	_____
÷	Sales for 12 months ended _____	Mcf	_____
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	

FOR Entire Service Area

PSC KY NO. _____

38th Revised SHEET NO. 1

CANCELLING PSC KY NO. _____

37th Revised SHEET NO. 1

Jefferson Gas, LLC
(NAME OF UTILITY)

Applies to: All Customers

Rate, Monthly:

			Base Rate	Gas Cost	Rate per Unit (Mcf)
First	0 to 1 Mcf	Minimum Bill	3.8900	1.5878	5.4778
All Over	1 Mcf		2.2600	1.5878	3.8478

DATE OF ISSUE March 30, 2010
MONTH / DATE / YEAR

DATE EFFECTIVE May 1, 2010
MONTH / DATE / YEAR

ISSUED BY Bert R. Layne
SIGNATURE OF OFFICER

TITLE Treasurer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____