

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

June 30, 2010

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

RECEIVED

JUN 30 2010

PUBLIC SERVICE
COMMISSION

RE: Jefferson Gas, LLC
Case No.
GCR Filing Proposed to Become
Effective August 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 August 1, 2010. Also included are an original and five copies of 39th 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.

2010-00261

This filing proposes a GCR rate of \$2.6823 per MCF of sales.

Sincerely,



Bert R. Layne

Jefferson Gas, LLC

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: June 30, 2010

Date Rates to be Effective: August 1, 2010

Reporting Period is Calendar Quarter Ended: October 31, 2010

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	3.8780
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	(1.1957)
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		2.6823

GCR to be effective for service rendered from August 1, 2010 to October 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	(.4557)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	(.5628)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1039)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0733)
=	Actual Adjustment (AA)	\$/Mcf	(1.1957)

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.

\$3.878 Per Attached Schedule



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Trade Date

Thursday, June 24 2010

Daily Settlements for Henry Hub Natural Gas Futures (FINAL)

Trade Date: 06/24/2010

Month	Open	High	Low	Last	Change	Settle	Estimated Volume	Prior Day Open Interest
JLY 10	4.811	4.855	4.698	4.835	-056	4.748	72,524	32,697
AUG 10	4.851	4.900	4.745	4.805	-080	4.793	43,504	129,166
SEP 10	4.885	4.941	4.788	4.840	-061	4.834	13,246	138,811
OCT 10	4.953	5.008	4.872	4.990	-055	4.913	15,284	95,513
NOV 10	5.220	5.254	5.139	5.184A	-040	5.180	6,055	36,523
DEC 10	5.491	5.542	5.440	5.470	-035	5.479	4,508	39,493
JAN 11	5.691	5.725	5.623	5.715	-031	5.660	8,185	53,802
FEB 11	5.642	5.660	5.570	5.655	-026	5.602	1,559	19,960
MAR 11	5.540	5.554	5.464	5.507	-021	5.503	2,867	53,587
APR 11	5.210	5.287	5.204	5.250	-006	5.245	2,314	40,936
MAY 11	5.272	5.290	5.221	5.275	-004	5.257	582	19,157
JUN 11	5.287	5.333	5.270A	5.305B	-002	5.304	300	8,541
JLY 11	5.302	5.401	5.302	5.367	+001	5.362	195	5,834
AUG 11	5.420	5.431	5.383	5.383	+002	5.408	72	5,461
SEP 11	5.466	5.466	5.406	5.445	+002	5.440	90	5,574
OCT 11	5.556	5.561	5.483	5.530	+002	5.525	420	19,010
NOV 11	5.766	5.789	5.710	5.710	+007	5.750	135	5,285
DEC 11	6.031	6.060	6.031	6.060	+012	6.015	69	12,666
JAN 12	6.240	6.240	6.192	6.223	+009	6.204	550	10,786
FEB 12	6.190	6.190	6.170	6.170	+005	6.142	39	4,047
MAR 12	6.000	6.000	5.960	5.960	+007	5.984	66	10,605
APR 12	5.570	5.590	5.535	5.590	+007	5.544	16	10,940
MAY 12	5.575	5.590	5.540	5.590	+007	5.549	11	3,371
JUN 12	5.575	5.609	5.570	5.609	+007	5.584	10	1,661
JLY 12	5.635	5.635	5.635	5.635	+007	5.644	1	1,538
AUG 12	5.680	5.680	5.680	5.680	+007	5.689	1	1,911
SEP 12	5.710	5.720B	5.690	5.720B	+007	5.719	2	1,637
OCT 12	5.800	5.800	5.780	5.780	+007	5.809	45	3,269
NOV 12	-	-	-	-	+007	6.014	-	1,860
DEC 12	6.210	6.210	6.210	6.210	+007	6.244	2	5,611
JAN 13	-	-	-	-	+010	6.429	-	2,861
FEB 13	-	-	-	-	+010	6.374	-	1,248
MAR 13	-	-	-	-	+010	6.199	1	2,027
APR 13	-	-	-	-	+010	5.769	1	2,341
MAY 13	-	-	-	-	+010	5.754	-	1,352
JUN 13	-	-	-	-	+010	5.794	-	698
JLY 13	-	-	-	-	+010	5.854	-	711
AUG 13	-	-	-	-	+010	5.904	-	629
SEP 13	-	-	-	-	+010	5.934	-	678
OCT 13	-	-	-	-	+010	6.024	-	1,730
NOV 13	-	-	-	-	+010	6.232	-	387
DEC 13	-	-	-	-	+010	6.462	-	5,688
JAN 14	-	-	-	-	+010	6.644	-	2,502
FEB 14	-	-	-	-	+010	6.589	-	175
MAR 14	-	-	-	-	+010	6.424	-	430
APR 14	-	-	-	-	+010	5.994	-	1,468
MAY 14	-	-	-	-	+010	5.964	-	178
JUN 14	-	-	-	-	+010	6.006	-	100
JLY 14	-	6.060B	6.050A	6.060B	+010	6.064	-	98
AUG 14	-	-	-	-	+010	6.112	-	117
SEP 14	-	-	-	-	+010	6.142	-	97
OCT 14	-	-	-	-	+010	6.234	-	481
NOV 14	-	-	-	-	+010	6.464	-	88
DEC 14	-	-	-	-	+010	6.719	-	111
JAN 15	-	-	-	-	+010	6.919	-	427

4.793+
4.834+
4.913+
10.540+
10.540+
3+
4.847+
4.847+
0.8+
3.8700+

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

April 30, 2010

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (Feb 10)</u>	<u>Month 2 (Mar 10)</u>	<u>Month 3 (Apr 10)</u>
Total Supply Volumes Purchased	Mcf	6,794	5,215	1,587
Total Cost of Volumes Purchased	\$	\$26,360.72	\$17,470.25	\$4,935.57
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	6,794	5,215	1,587
= Unit Cost of Gas	\$/Mcf	3.8800	3.3500	3.1100
- EGC in effect for month	\$/Mcf	4.6485	4.6485	4.6485
= Difference [(over-)/Under-Recovery]	\$/Mcf	(.7685)	(1.2985)	(1.5385)
x Actual sales during month	Mcf	6,794	5,215	1,587
= Monthly cost difference	\$	(5,221.19)	(6,771.68)	(2,441.60)
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	(14,434.47)
÷ Sales for 12 months ended March 31, 2010			Mcf	31,674
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	(.4557)

Jefferson Gas, LLC

Mcfs Sold Last 12 Months

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
01/31/10	6,387
02/28/10	6,794
03/31/10	5,215
	31,674

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. _____

39th Revised SHEET NO. 1

CANCELLING PSC KY NO. _____

38th 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	2.6823	6.5723
All Over	1 Mcf		2.2600	2.6823	4.9423

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

DATE EFFECTIVE August 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 _____