

AUXIER ROAD GAS COMPANY, INC.
P O BOX 408
PRESTONSBURG, KY 41653

RECEIVED

FEB 29 2012

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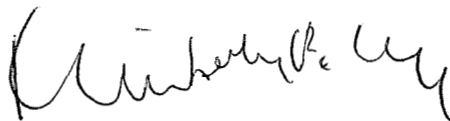
FEBRUARY 27, 2012

JEFF DEROUEN, EXE DIRECTOR
P O BOX 615
FRANKFORT, KY 40602

DEAR MR. DEROUEN,

PLEASE FIND ENCLOSED THE GAS COST RECOVERY TO BE EFFECTIVE APRIL 1, 2012.
IF YOU HAVE ANY QUESTIONS, LET US KNOW.

SINCERELY,

A handwritten signature in black ink, appearing to read "Kimberly R. Crisp". The signature is written in a cursive style with a small mark above the final "y".

KIMBERLY R. CRISP

ACCOUNTANT

Auxier Rd Gas

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

February 27, 2012

Date Rates to be Effective:

April 1, 2012

Reporting Period is Calendar Quarter Ended:

January 1, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	4.3787
Refund Adjustment (RA)	\$/Mcf	
Actual Adjustment (AA)	\$/Mcf	(1.0173)
Balance Adjustment (BA)	\$/Mcf	
<u>Gas Cost Recovery Rate (GCR)</u>	\$/Mcf	<u>3.3614</u>

to be effective for service rendered from April 1, 2012 to April 30, 2012

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	442769
Sales for the 12 months ended <u>January 31, 2012</u>	Mcf	101118
<u>Expected Gas Cost (EGC)</u>	\$/Mcf	<u>4.3787</u>

REFUND ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch. III)	\$/Mcf	
Previous Quarter Supplier Refund Adjustment	\$/Mcf	
Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
<u>Refund Adjustment (RA)</u>	\$/Mcf	<u>_____</u>

ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.2459)
Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1662)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0064)
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0527)
<u>Actual Adjustment (AA)</u>	\$/Mcf	<u>(.0127)</u>
		(1.0173)

BALANCE ADJUSTMENT CALCULATION

	<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	
<u>Balance Adjustment (BA)</u>	\$/Mcf	<u>_____</u>

SCHEDULE II
 EXPECTED GAS COST

Annual* Mcf Purchases for 12 months ended Jan 31, 2012

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Cumberland Valley			97479	4.0251	392363
Alle-Kears			4135	3.10	12819
Chesapeake			953	6.54	6233
North Exploration			9288 (est.)	4.38	40681
Chesapeake (undivided)			5545	6.54	36264
Total			<u>117400</u>		<u>488360</u>

Gas loss for 12 months ended Jan 31, 2012 is 13.9% based on purchases of 117400 Mcf and sales of 101118 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	488360
Total of Purchases (4)	Mcf	117400
Average Expected Cost Per Mcf Purchased	\$/Mcf	4.1598
Allowable Mcf purchases (must not exceed Mcf sales + .95)	Mcf	106410
Total Expected Gas Cost (to Schedule IA.)	\$	442769

* adjusted pursuant to Gas Cost Adjustment Clause and explained herein.
 Supplier's tariff sheets or notices are attached.

SCHEDULE IV

ACTUAL ADJUSTMENT

or the 3 month period ended Jan. 31, 2012

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Jan)</u>	<u>Month 2</u> <u>()</u>	<u>Month 3</u> <u>()</u>
Total Supply Volumes Purchased	Mcf	13979		
Total Cost of Volumes Purchased	\$	60218		
Total Sales (may not be less than 95% of supply volumes)	Mcf	16079		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>3.7451</u>		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	<u>5.2916</u>		
Difference [(Over-)/Under-Recovery]	<u>\$/Mcf</u>	<u>(1.5465)</u>		
<u>Actual sales during month</u>	<u>Mcf</u>	<u>16079</u>		
Monthly cost difference	\$	(24866)		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(24866)
<u>Sales for 12 months ended Jan 31, 2012</u>	<u>Mcf</u>	<u>10118</u>
Actual Adjustment for the Reporting Period (to Schedule IC.)	<u>\$/Mcf</u>	<u>(.2459)</u>

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____

<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	_____

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From: "Kentucky Frontier Gas LLC" <dhorner@kyfrontiergas.com>
SpamShield Pro Actions...
To: "Kim Crisp" <kcrisp@kyfrontiergas.com>
Subject: April 2012 Estimated Gas Price
Date: Thu 02/23/12 03:12 PM

Attachments

Name	Type	Save View
Message	text/html	Save

Hi Kim,

April, 2012 expected gas price = \$4.0251/Mcf.

Thanks,

Dennis

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AUXIER ROAD GAS COMPANY, INC.
P O BOX 408
PRESTONSBURG, KY 41653

	BASE RATE	GAS COST RECOVERY	TOTAL
FIRST MCF (MINIMUM BILL)	6.36	3.3614	\$9.7214
ALL OVER FIRST MCF	5.0645	3.3614	\$8.4259