

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

MAY 29, 2012

MR. JEFF DEROUEN, EXE DIR
PUBLIC SERVICE COMMISSION
P O BOX 615
FRANKFORT, KY 40602

RECEIVED

JUN -4 2012

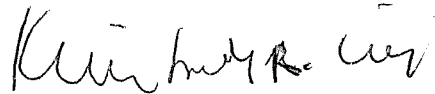
PUBLIC SERVICE
COMMISSION

DEAR SIR:

PLEASE FIND ENCLOSED THE GAS COST RECOVERY FOR JULY 1, 2012.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL US AT (606)886-2314.

SINCERELY,



KIMBERLY R. CRISP
ACCOUNTANT

Auxier Road Gas

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

May 29, 2012

Date Rates to be Effective:

July 1, 2012

Reporting Period is Calendar Quarter Ended:

April 30, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

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A.1

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	4.6693
Refund Adjustment (RA)	\$/Mcf	
Actual Adjustment (AA)	\$/Mcf	(1.0874)
<u>Balance Adjustment (BA)</u>	<u>\$/Mcf</u>	<u> </u>
Gas Cost Recovery Rate (GCR)	\$/Mcf	3.5819

to be effective for service rendered from July 1, 2012 to July 31, 2012.

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	458387
sales for the 12 months ended <u>April 30, 2012</u>	Mcf	98171
<u>Expected Gas Cost (EGC)</u>	<u>\$/Mcf</u>	<u>4.6693</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	
<u>Third Previous Quarter Supplier Refund Adjustment</u>	<u>\$/Mcf</u>	<u> </u>
Refund Adjustment (RA)	\$/Mcf	

ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>	
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.088)	(.0064)
Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1125)	(.0527)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1514)	(.0823)
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.2459)	.0049
<u>Actual Adjustment (AA)</u>	<u>\$/Mcf</u>	<u>(.1662)</u>	<u>(.0650)</u>
			(1.0874)

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	
<u>Third Previous Quarter Reported Balance Adjustment</u>	<u>\$/Mcf</u>	<u> </u>
Balance Adjustment (BA)	\$/Mcf	

SCHEDULE II
 EXPECTED GAS COST

Actual* Mcf Purchases for 12 months ended April 30, 2012

(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>
Cumberland Valley			95192	4.3738	416351
Ole-Kaon			3936	3.10	12202
Nuts' Expedition			9014	4.38	39481
Chesapeake (undivided)			5545	6.54	36264
Totals			<u>113687</u>		<u>504298</u>

Net loss for 12 months ended April 30, 2012 is 13.6% based on purchases of 113687 Mcf and sales of 98171 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	504298
<u>Mcf Purchases (4)</u>	Mcf	<u>113687</u>
Average Expected Cost Per Mcf Purchased	\$/Mcf	4.4358
<u>Allowable Mcf purchases (must not exceed Mcf sales + .95)</u>	Mcf	<u>103338</u>
Total Expected Gas Cost (to Schedule IA.)	\$	458387

Or 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 April 30, 2012

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Apr)</u>	<u>Month 2</u> <u>()</u>	<u>Month 3</u> <u>()</u>
Total Supply Volumes Purchased	Mcf	7197		
Total Cost of Volumes Purchased	\$	22988		
Total Sales (may not be less than 95% of supply volumes)	Mcf	7214		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>3.1866</u>		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	<u>4.3787</u>		
Difference [(Over-)/Under-Recovery]	<u>\$/Mcf</u>	<u>(1.1921)</u>		
<u>Actual sales during month</u>	<u>Mcf</u>	<u>7214</u>		
Monthly cost difference	\$	(8600)		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(8600)
Sales for 12 months ended <u>April 30, 2012</u>	Mcf	98171
Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	(.088)

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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P O BOX 408
PRESTONSBURG, KY 41653

	BASE RATE	GAS COST RECOVERY	TOTAL
FIRST MCF (MINIMUM BILL)	6.36	3.5819	\$9.9419
ALL OVER FIRST MCF	5.0645	3.5819	\$8.6464

K EGC 12/4

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From: "Kentucky Frontier Gas LLC" <dhorner@kyfrontiergas.com> SpamShield Pro Actions...
To: "Kentucky Frontier Gas LLC" <kcrisp@kyfrontiergas.com>
Subject: Re: CUMBERLAND EST GAS COST
Date: Wed 05/23/12 04:55 PM

Attachments

Table with 3 columns: Name, Type, Save View. Row 1: Message, text/html, Save

Kim,

EGC from CVR for July is \$4.3738 / MCF.

Thanks,

Dennis

--- kcrisp@kyfrontiergas.com wrote:

From: "Kentucky Frontier Gas LLC" <kcrisp@kyfrontiergas.com>
To: "dennis horner" <dhorner@kyfrontiergas.com>
Subject: CUMBERLAND EST GAS COST
Date: Tue, 22 May 2012 09:13:11 -0700

DENNIS,

I NEED CUMBERLAND'S EST GAS COST FOR JULY 2012 IN MCF COST.

THANKS,

KIM

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