

Public Gas Company
8500 Station Street, Suite 100
Mentor, OH 44060
Tele (440) 974-3770

RECEIVED

JUN 28 2012

PUBLIC SERVICE
COMMISSION

June 25, 2012

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

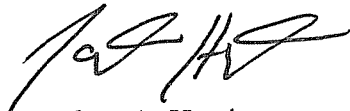
RE: Public Gas Company
Case No.
GCR Filing Proposed to Become
Effective August 1, 2012

Dear Mr. Derouen:

Enclosed are an original and ten copies of Public Gas Company's Cost Recovery (GCR) filing for rates proposed to become effective August 1, 2012. Also included are an original and ten copies of 62st revision sheet No. 1 of Public'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 \$4.2879 per MCF of sales.

Sincerely,



Jonathan A. Harrington
Controller

Public Gas Company

Quarterly Report of Gas Cost
Recovery Rate Calculation

RECEIVED
JUN 28 2012
PUBLIC SERVICE
COMMISSION

Date Filed: June 25, 2012

Date Rates to be Effective: August 1, 2012

Reporting Period is Calendar Quarter Ended: October 31, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf \$	4.6506
+ Refund Adjustment (RA)	\$/Mcf \$	-
+ Actual Adjustment (AA)	\$/Mcf \$	(0.3627)
+ Balance Adjustment (BA)	\$/Mcf \$	-
= Gas Cost Recovery Rate (GCR)	\$/Mcf \$	4.2879

GCR to be effective for service rendered from August 01, 2012 to October 31, 2012

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$ \$	487,090
	÷ Sales for the 12 months ended	Mcf	104,737
	= Expected Gas Cost (EGC)	\$/Mcf \$	4.6506

B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	+ Supplier Refund Adjustment for Reporting Period (Schedule III)	\$/Mcf \$	-
	+ 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 \$	0.0970
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.4151)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.0454)
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf \$	0.0008
	= Actual Adjustment (AA)	\$/Mcf \$	(0.3627)

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)	\$/Mcf \$	-

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended			January 31, 2012		
(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
2/28/2011		20,164	19,454	4.6506	90,472.77
3/31/2011		14,228	13,676	4.6506	63,601.61
4/30/2011		7,104	6,841	4.6506	31,814.75
5/31/2011		3,791	3,616	4.6506	16,816.57
6/30/2011		2,226	2,141	4.6506	9,956.93
7/31/2011		1,607	1,546	4.6506	7,189.83
8/31/2011		1,671	1,591	4.6506	7,399.10
9/30/2011		1,915	1,842	4.6506	8,566.41
10/31/2011		4,502	4,336	4.6506	20,165.00
11/30/2011		12,721	12,120	4.6506	56,365.27
12/31/2011		18,881	18,225	4.6506	84,757.19
1/31/2012		20,126	19,349	4.6506	89,984.46
		108,936	104,737		487,089.89

Line loss for 12 months ended January 31, 2012 is 3.8546% based on purchases of
108,936 Mcf and sales of 104,737 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$ 487,089.89
÷ Mcf Purchases (4)	Mcf	108,936
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 4.4713
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	108,936
= Total Expected Gas Cost (to Schedule IA)	\$	\$ 487,089.89

* Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

** Supplier's tariff sheets or notices are attached.

\$4.6506 Per Attached Schedule

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended April 30, 2012

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	0
+ Interest	\$	0
= Refund Adjustment including interest	\$	0
÷ Sales for 12 months ended	Mcf	104,737
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	0

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended April 30, 2012

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Feb 12)</u>	<u>Month 2</u> <u>(Mar 12)</u>	<u>Month 3</u> <u>(Apr 12)</u>
Total Supply Volumes Purchased	Mcf	20,857.0	8,192.0	5,945.0
Total Cost of Volumes Purchased	\$	\$93,311.72	\$34,686.57	\$ 23,447.32
÷ Total Sales	Mcf	19,997.0	7,871.0	5,708.0
(may not be less than 95% of supply volumes)				
= Unit Cost of Gas	\$/Mcf	\$ 4.6663	\$ 4.4069	\$ 4.1078
- EGC in effect for month	\$/Mcf	\$ 4.2079	\$ 4.2079	\$ 4.2079
= Difference	\$/Mcf	\$ 0.4584	\$ 0.1990	\$ (0.1001)
[(over-)/Under-Recovery]				
x Actual sales during month	Mcf	19,997.0	7,871.0	5,708.0
= Monthly cost difference	\$	\$ 9,166.34	\$ 1,566.19	\$ (571.37)
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	\$ 10,161.16
÷ Sales for 12 months ended			Mcf	104,737.0
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	\$ 0.0970

SCHEDULE V

BALANCE ADJUSTMENT

For the 3 month period ended April 30, 2012

<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.		1
	62nd Revised	SHEET NO.	1
Public Gas Company	CANCELLING PSC KY NO.		1
(NAME OF UTILITY)	61st Revised	SHEET NO.	1

Applies to: All Customers
Rate, Monthly:

		Base Rate	Gas Cost	Rate per Unit (Mcf)
First	0 to 1 Mcf Minimum Bill	3.2705	4.2879	7.5584
All Over	1 Mcf	2.1505	4.2879	6.4384

DATE OF ISSUE June 25, 2012
MONTH/DATE/YEAR

DATE EFFECTIVE August 1, 2012
MONTH/DATE/YEAR

ISSUED BY Jonathan A. Harrington
SIGNATURE OF OFFICER

TITLE Controller

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

Jefferson Gas, LLC
 Natural Gas Sales Price Calculations - Public Gas Company, Inc.

Estimated sales price for the three months ending October 31, 2012:

Col A	Col B	Col C	Col D (Col B + Col C)	Col E (Btu Factor Per Mcf)	Col F (Col D * Col E)	Col G	Col H (Col F + Col G)
Period	NYMEX Futures Settle Price*	TCO Basis Adjustment	Expected Appalachian Index Per Mmbtu	Mmbtu/Mcf Conversion Factor - Estimated	Expected Appalachian Index Per Mcf	Contract Addition Per Mcf	Total Expected Price per Mcf
Aug-12	\$ 2.618	\$ 0.050	\$ 2.668	1.161	\$ 3.098	\$ 1.500	\$ 4.598
Sep-12	\$ 2.645	\$ 0.050	\$ 2.695	1.161	\$ 3.129	\$ 1.500	\$ 4.629
Oct-12	\$ 2.728	\$ 0.050	\$ 2.778	1.161	\$ 3.225	\$ 1.500	\$ 4.725
							\$ 13.952

* Settle price as of June 21, 2012 taken from NYMEX website
<http://www.cmegroup.com>

Average Cos \$ 4.651

Actual sales price for the three months ended April 30, 2012

Col A	Col B	Col C	Col D	Col E (Btu Factor Per Mcf)	Col F (Col D * Col E)	Col G	Col H (Col F + Col G)
Period			Appalachian Index Per Mmbtu (Per Platt's Gas Daily)	Mmbtu/Mcf Conversion Factor - Actual	Appalachian Index Per Mcf	Contract Addition Per Mcf	Total Price per Mcf
Feb-12	N/A	N/A	\$ 2.660	1.118	\$ 2.974	\$ 1.500	\$ 4.474
Mar-12	N/A	N/A	\$ 2.450	1.116	\$ 2.734	\$ 1.500	\$ 4.234
Apr-12	N/A	N/A	\$ 2.190	1.116	\$ 2.444	\$ 1.500	\$ 3.944

Actual sales total for the three months ended April 30, 2012 based on volumes utilized

Col A	Col B	Col C	Col D	Col E	Col F	Col G	Col H (Col D * Col E)
Period			Purchased Gas Volume (Mcf)	Total Price per Mcf (Calculation above)			Total Price
Feb-12	N/A	N/A	20,857	\$ 4.474	N/A	N/A	93,311.72
Mar-12	N/A	N/A	8,192	\$ 4.234	N/A	N/A	34,686.57
Apr-12	N/A	N/A	5,945	\$ 3.944	N/A	N/A	23,447.08