

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

June 28, 2012

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

RECEIVED
JUN 29 2012
PUBLIC SERVICE
COMMISSION

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

Dear Mr. Derouen:

Enclosed are an original and ten copies of Jefferson Gas Transmission's Gas Cost Recovery (GCR) filing for rates proposed to become effective August 1, 2012. Also included are an original and ten copies of 47th 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 \$1.5967 per MCF of sales.

Sincerely,



Bert R. Layne

Jefferson Gas, LLC

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: June 28, 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	1.9866
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	(.3899)
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		<u>1.5967</u>
GCR to be effective for service rendered from Aug 1, 2012	to	Oct 31, 2012

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	(.2142)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1381)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0344)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0032)
=	Actual Adjustment (AA)	\$/Mcf	<u>(.3899)</u>
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)	(2)	(3)	(4)	(5)**	(6)
Supplier	Dth	BTU Conversion Factor	Mcf	Rate	(4) X (5) Cost

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.

\$1.9866 Per Attached Schedule

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Henry Hub Natural Gas Futures

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Quotes | **Time & Sales** | **Volume** | **Settlements**

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Futures | **Options**

Trade Date

Tuesday, June 26 2012

Daily Settlements for Henry Hub Natural Gas Futures (FINAL)

Trade Date: 06/26/2012

Month	Open	High	Low	Last	Change	Settle	Estimated Volume	Prior Day Open Interest
JUL 12	2.669	2.786	2.648	2.750	+073	2.767	100,414	19,049
AUG 12	2.701	2.821	2.686	-	+073	2.807	111,830	170,869
SEP 12	2.729	2.836	2.706	-	+069	2.821	51,512	237,862
OCT 12	2.800	2.896	2.786A	-	+065	2.886	39,779	151,535
NOV 12	3.020	3.106	3.010A	-	+061	3.099	20,369	102,955
DEC 12	3.281	3.363B	3.261	3.305	+054	3.357	9,706	55,065
JAN 13	3.466	3.507B	3.425A	3.450	+053	3.502	14,473	96,616
FEB 13	3.486	3.520	3.443	3.460	+051	3.515	25,155	25,155
MAR 13	3.458	3.487B	3.415	-	+047	3.483		0 *
APR 13	3.418	3.453	3.382	-	+047	3.449		
MAY 13	3.431	3.481	3.416A	-	+044	3.478		0 *
JUN 13	3.489	3.522B	3.457A	-	+042	3.517		
JUL 13	3.527	3.568B	3.504	-	+041	3.565		2 * 807000 +
AUG 13	3.542	3.582	3.521A	-	+042	3.581		2 * 821000 +
SEP 13	3.527	3.583B	3.522A	-	+043	3.584		2 * 886000 +
OCT 13	3.580	3.626	3.559A	-	+044	3.621		8 * 5140 * +
NOV 13	3.696	3.738	3.679A	-	+045	3.740		
DEC 13	3.920	3.955	3.894A	-	+044	3.950		8 * 5140 ÷
JAN 14	4.010	4.066	4.004A	-	+046	4.062		3 =
FEB 14	3.975	4.036	3.975	-	+047	4.030		2 * 8380 * +
MAR 14	3.923	3.961	3.898	-	+047	3.956		
APR 14	3.724	3.769B	3.722A	-	+048	3.778		2 * 8380 ×
MAY 14	3.745	3.746	3.745	-	+049	3.794		0 * 7 =
JUN 14	3.770	3.770	3.770	-	+049	3.818		1 * 9866 * +
JUL 14	-	-	-	-	+051	3.860		
AUG 14	3.825	3.825	3.825	3.825	+050	3.879	1	931
SEP 14	-	-	-	-	+050	3.882	-	1,425
OCT 14	-	-	-	-	+050	3.920	25	4,341
NOV 14	-	-	-	-	+050	4.010	-	1,791
DEC 14	-	-	-	-	+052	4.202	3	1,385

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____ (reporting period) _____

<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, 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	5,513	2,194	1,593
Total Cost of Volumes Purchased	\$	10,695.22	3,598.16	2,564.73
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	5,513	2,194	1,593
= Unit Cost of Gas	\$/Mcf	1.9400	1.6400	1.6100
- EGC in effect for month	\$/Mcf	2.4348	2.4348	2.4348
= Difference [(over-)/Under-Recovery]	\$/Mcf	(.4948)	(.7948)	(.8248)
x Actual sales during month	Mcf	5,513	2,194	1,593
= Monthly cost difference	\$	(2,727.83)	(1,743.79)	(1,313.91)
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	(5,785.53)
÷ Sales for 12 months ended March 31, 2012			Mcf	27,001
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	(.2142)

Jefferson Gas, LLC

Mcfs Sold Last 12 Months

04/30/11	1,973
05/31/11	1,083
06/30/11	574
07/31/11	408
08/31/11	414
09/30/11	597
10/31/11	1,474
11/30/11	3,087
12/31/11	4,259
01/31/12	5,425
02/29/12	5,513
03/31/12	2,194
	27,001

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. _____

47th Revised SHEET NO. 1

Jefferson Gas, LLC

(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

46th 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	3.8900	1.5967	5.4867
All Over	1 Mcf		2.2600	1.5967	3.8567

DATE OF ISSUE June 28, 2012
MONTH / DATE / YEAR

DATE EFFECTIVE August 1, 2012
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 _____