

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

AUGUST 31, 2012

RECEIVED

SEP 4 2012

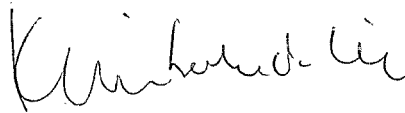
PUBLIC SERVICE
COMMISSION

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

DEAR MR. DEROUEN,

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

SINCERELY,



KIMBERLY R. CRISP

ACCOUNTANT

Quixie Rd Gas

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

August 31, 2012

Date Rates to be Effective:

October 1, 2012

Reporting Period is Calendar Quarter Ended:

July 31, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

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<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	4.1611
Refund Adjustment (RA)	\$/Mcf	
Actual Adjustment (AA)	\$/Mcf	(.983)
<u>Balance Adjustment (BA)</u>	\$/Mcf	
Gas Cost Recovery Rate (GCR)	\$/Mcf	<u>3.1781</u>

to be effective for service rendered from Oct 1, 2012 to Oct 31, 2012

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)		401508
sales for the 12 months ended <u>July 31, 2012</u>	\$ Mcf	96490
<u>Expected Gas Cost (EGC)</u>	\$/Mcf	<u>4.1611</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	(.0172) (.2459)
Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0019) (.1162)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0467) (.0064)
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0876) (.0521)
<u>Actual Adjustment (AA)</u>	\$/Mcf	<u>(.1534) (.0125)</u>
	\$/Mcf	(.983)

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

Actual* Mcf Purchases for 12 months ended July 31, 2012

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
CumBerland Valley			96631	3.7994	367140
AST-KANSAS			3907	3.10	12112
Wetis Exploration			8987	4.38	39363
Chesapeake Underbilled			5545	6.54	36264
			<u>115070</u>		<u>454879</u>

Net loss for 12 months ended July 31, 2012 is _____% based on purchases of 115070 Mcf and sales of 96490 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	454879
<u>Mcf Purchases (4)</u>	Mcf	115070
Average Expected Cost Per Mcf Purchased	\$/Mcf	3.9531
<u>Allowable Mcf purchases (must not exceed Mcf sales + .95)</u>	Mcf	101568
Total Expected Gas Cost (to Schedule IA.)	\$	401508

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 July 31, 2012

<u>Particulars</u>	<u>Unit</u>	Month 1 (July)	Month 2 ()	Month 3 ()
Total Supply Volumes Purchased	Mcf	4156		
Total Cost of Volumes Purchased	\$	1622		
Total Sales (may not be less than 95% of supply volumes)	Mcf	3978		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	4.2356		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	4.6693		
Difference [(Over-)/Under-Recovery]	<u>\$/Mcf</u>	(.4337)		
<u>Actual sales during month</u>	<u>Mcf</u>	3821		
Monthly cost difference	\$	(1657)		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(1657)
Sales for 12 months ended <u>July 31, 2012</u>	Mcf	46490
Actual Adjustment for the Reporting Period (to Schedule IC.)	<u>\$/Mcf</u>	(.0172)

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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