



# Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd.  
Frankfort, KY. 40602

RECEIVED

MAY 19 2011

May 18, 2011

PUBLIC SERVICE  
COMMISSION

Case # 2011-?????

Natural Energy Utility Corporation is providing the following information in filing its quarterly gas cost report with the Kentucky Public Service Commission (PSC). The enclosed report has a case number of 2011-00???. The calculated gas cost recovery rate for this reporting period is \$4.1680. The base rate remains \$4.24. The minimum billing rate starting July 01, 2011 should be \$8.4080 for all MCF.

Thank you for your cooperation and please call me if you have any questions.

Sincerely,

  
H. Jay Freeman

President

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/MCF	\$4.6803
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$0.5123)
Balance Adjustment (BA)	\$/MCF	\$0.0000
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Gas Cost Recovery Rate (GCR)	\$/MCF	\$4.1680

to be effective for service rendered from: 07-01-2011 to 09-30-2011

A) EXPECTED GAS COST CALCULATION	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$472,500.00
/ Sales for the 12 Months ended: March 2011	\$/MCF	100,955
= Expected Gas Cost (EGC)	\$/MCF	\$4.6803

B) REFUND ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Supplier refund adjustment for reporting period (SCH III)	\$/MCF	\$0.0000
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
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= Refund Adjustment (RA)	\$/MCF	\$0.0000

C) ACTUAL ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (SCH IV)	\$/MCF	(\$0.0452)
+ Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.3745)
+ Second Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.0003)
+ Third Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.0923)
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= Actual Adjustment (AA)	\$/MCF	(\$0.5123)

D) BALANCE ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (SCH V)	\$/MCF	\$0.0000
+ Previous Quarter Reported Balance Adjustment	\$/MCF	\$0.0000
+ Second Previous Quarter Reported Balance Adjustment	\$/MCF	\$0.0000
+ Third Previous Quarter Reported Balance Adjustment	\$/MCF	\$0.0000
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= Balance Adjustment (BA)	\$/MCF	\$0.0000

SCHEDULE II

EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended 3/31/2011

(1)	(2)	(3) BTU	(4)	(5)	(6) (4) X (5)	
Supplier	Dth	Conversion Factor	Mcf	Rate	Cost	
Marathon Petroleum	108,150		1.03	105,000	\$4.50	\$472,500

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Totals				105,000	\$472,500.00
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Line loss for 12 months ended 03/31/2011 is based on purchase of 105,000  
and sales of 100,955 Mcf

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$472,500.00
/ Mcf Purchases (4)		105,000

= Average Expected Cost Per Mcf Purchased		\$4.50
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		100,955

= Total Expected Gas Cost (to Schedule I A)		\$454,297.50
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SCHEDULE III

REFUND ADJUSTMENTS

	<u>Unit</u>	<u>Amount</u>
Total Supplier Refuds Received	\$	\$0.00
+ INTEREST	\$	\$0.00
= Refund Adjustment including Interest	\$	\$0.00
/ Sales for 12 Months Ended      Mar-11	Mcf	100,955
= Supplier Refund Adjustment for the Reporting Period (To Schedule IB)	\$/Mcf	\$0.00

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 month period ended:      Mar-11

<u>Particulars</u>	<u>Unit</u>	<u>Jan-11</u>	<u>Feb-11</u>	<u>Mar-11</u>
Total Supply Volumes Purchased	Mcf	19,750	16,250	11,500
Total Cost of Volumes Purchased	\$	\$99,540	\$81,250	\$57,385
/ Total Sales	Mcf	19,465	15,909	11,103
= Unit Cost of Gas	\$/Mcf	\$5.1138	\$5.1072	\$5.1684
- EGC in Effect fo Month	\$/Mcf	\$5.2227	\$5.2227	\$5.2227
= Difference	\$/Mcf	(\$0.1089)	(\$0.1155)	(\$0.0543)
X Actual Sales during Month	Mcf	19,465	15,909	11,103
= Monthly Cost Difference	\$	(\$2,120)	(\$1,838)	(\$603)

	<u>Unit</u>	<u>Amount</u>
Total Cost Difference	\$	(\$4,560)
/ Sales for 12 Months ended      Mar-11	Mcf	100,955
= Actual Adjustment for the Reporting Period (to SCH IC)	\$	(\$0.0452)

\*\*May not be less than 95% of Supply Volume\*\*

