

Counce Gas Co., Inc.
P.O. Box 285
Burnsville, MS 38833

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TN REGULATORY AUTHORITY
UTILITIES DIVISION

November 20, 2007

*Ms Shara Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505*

DOCKET NO.

07-00261

Re: ACA filing

Dear Ms Dillon:

Please find enclosed the ACA filing for 2007. Please let me know if I can be of assistance.

Sincerely,

Candy Horton

Candy Horton, Counce Gas

BURNSVILLE/COUNCE GAS CO.

FAX COVER

DATE:

11/20/07

TO: Betty Kendal

FROM:

Candy

PAGES TO FOLLOW

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COUNCE NATURAL GAS COMPANY
Actual Cost Adjustment
10/1/06 - 9/30/07

Line No.	Month (a)	Beginning Balance (b)	Invoiced Gas Costs		Recoveries							Ending Balance (l)
			Dkt (c)	Costs (d)	Sales (Mcf) (e)	ACA Factor (f)	ACA Recoveries (g)	Sales (Mcf) (h)	PGA Factor (i)	PGA Recoveries (j)	Total Recoveries (k)	
1	Oct-06	21,700.98	1,331	7,158.59	1,216	0.4700	571.52	1,216	14.6500	17,814.40	18,385.92	10,473.65
2	Nov-06	10,473.65	2,023	28,758.33	1,925	0.8600	1,655.50	1,925	14.7100	28,316.75	29,972.25	10,259.73
3	Dec-06	10,259.73	4,032	50,198.40	4,410	0.8600	3,792.60	4,410	12.4500	54,904.50	58,697.10	1,761.03
4	Jan-07	1,761.03	3,037	37,385.47	1,940	1.2700	2,463.80	1,940	12.3100	23,881.40	26,345.20	12,801.30
5	Feb-07	12,801.30	3,379	30,917.85	2,970	1.2700	3,771.90	2,970	9.1500	27,175.50	30,947.40	12,771.75
6	Mar-07	12,771.75	2,181	17,142.66	2,037	1.2700	2,586.99	2,037	7.8600	16,010.82	18,597.81	11,316.60
7	Apr-07	11,316.60	916	7,309.68	896	1.2700	1,137.92	896	7.9800	7,150.08	8,288.00	10,338.28
8	May-07	10,338.28	819	6,486.48	816	1.2700	1,036.32	816	7.9200	6,462.72	7,499.04	9,325.72
9	Jun-07	9,325.72	609	4,049.85	566	1.2700	718.82	566	6.6500	3,763.90	4,482.72	8,892.85
10	Jul-07	8,892.85	602	4,015.34	553	0.4700	259.91	553	6.6700	3,688.51	3,948.42	8,959.77
11	Aug-07	8,959.77	577	4,558.30	597	1.2700	758.19	597	7.9000	4,716.30	5,474.49	8,043.58
12	Sep-07	8,043.58	618	4,740.06	563	1.2700	715.01	563	7.6700	4,318.21	5,033.22	7,750.42
			20,124	203,721.01	18,489		#####	18,489		198,203.09	217,671.57	
13	Invoiced Gas Costs (10/1/05 - 9/30/06)				164,012.23							
14	Gas Cost Recovered (10/1/05 - 9/30/06)				158,480.38							
15	Under(Over) Recovery				5,531.85							
16	ACA Surcharges/(Refunds) (10/1/05 - 9/30/06)				715.01							
17	Interest				15.47							
18	Beginning Balance at 9/30/05				9,868.09							
19	ACA BALANCE INCLUDING INTEREST at 9/30/06 (line 18 - line 16 + line 17 + line 18)				16,130.42							
17	Prior 12 months sales (Oct. 2005 - Sept. 2006)				18,193							
18	ACA FACTOR (line 16 / line 17)				0.8866							

COUNCE NATURAL GAS COMPANY

Actual Cost Adjustment

10/01/06-09/30/07

Interest Calculation

Line No.	Month (a)	Beginning Balance (b)	Costs (c)	Recoveries (d)	Ending Balance (Before Int.) (e)	Average Monthly Balance (f)	Interest (g)	A/	Ending Balance With Interest (h)
1	Oct-06	21,700.98	17,272.35	13,726.40	25,246.93	23,473.96	159.82		25,406.75
2	Nov-06	14,317.99	29,758.33	28,836.50	15,239.82	14,778.91	100.62		15,340.44
3	Dec-06	15,239.82	50,198.40	56,095.20	9,343.02	12,291.42	83.68		9,426.70
4	Jan-07	9,343.02	37,385.47	24,405.20	22,323.29	15,833.16	108.85		22,432.14
5	Feb-07	22,323.29	30,917.85	27,977.40	25,263.74	23,793.52	163.58		25,427.32
6	Mar-07	25,263.74	17,142.66	16,560.81	25,845.59	25,554.67	175.69		26,021.28
7	Apr-07	25,845.59	7,309.68	7,392.00	25,763.27	25,804.43	177.41		25,940.68
8	May-07	25,763.27	6,486.48	6,683.04	25,566.71	25,664.99	176.45		25,743.16
9	Jun-07	25,566.71	4,049.85	3,916.72	25,699.84	25,633.28	176.23		25,876.07
10	Jul-07	25,699.84	4,015.34	3,837.82	25,877.36	25,788.60	177.30		26,054.66
11	Aug-07	25,877.36	4,558.30	4,877.49	25,558.17	25,717.77	176.81		25,734.98
12	Sep-07	25,558.17	4,740.06	4,470.22	25,828.01	25,693.09	176.64		26,004.65
13			213,834.77	198,778.80			1,853.07		

A/ Interest rates for the audit period are as follows:

4th Quarter	2006	8.17%
1st Quarter	2007	8.25%
2nd Quarter	2007	8.25%
3rd Quarter	2007	8.25%