



# RESERVE GAS COMPANY, INC.

13441 Railroad St., PO Box 207, Alden, NY 14004-0207

(716) 937-9484 Fax #: (716) 937-9488

*Serving the Community Since 1937*

Monday – Thursday 7:30 am – 4:30 pm  
Friday 7:30 am – 4:00 pm  
Saturday & Sunday Closed

2017 JUN 13 AM 10:52  
EXEC-FILES-ALBANY  
PL  
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June 7, 2017

Kathleen H. Burgess, Secretary  
NYS Dept. of Public Service  
3 Empire State Plaza, 19<sup>th</sup> Floor  
Albany, NY 12223

Case #: 97-G-1178

Dear Secretary Burgess,

Enclosed herewith is the Statement of Gas Cost Adjustment No. 459 effective **June 9, 2017** to Schedule P.S.C. No. 1 Gas.

Also enclosed are the supporting computations.

Sincerely,

Ms. Challis A. Cox  
President

Enclosures

Cc: Mr. Michael Tushaj

# Statement No. 459

To P.S.C. No. 1 Gas  
**RESERVE GAS COMPANY INC.**

Statement of Gas Cost Adjustment  
Application to Billing Under Service  
Classifications No. 1, 2, 3 and 4 of  
P.S.C. No. 1 - Gas  
Effective June 9, 2017

(Issued under the authority of 16 NYCRR 270.55 and 270.57)

## Average Cost of Gas

The average cost of gas (per McF) as defined  
on Leaf No. 16 as determined on June 7, 2017  
by dividing the total cost of purchased gas for the  
Month of May 2017 by the total applicable  
sales for such month is .....

**\$3.0132**

## LAUF

Allowed LAUF Factor .....

**\$1.0261**

## Surcharge to Average Cost of Gas

Temporary State Assessment Charge July 1, 2016 – June 30, 2017  
.....

**\$0.0249**

## Annual Reconciliation & Revenue Sharing Amounts

Under Charge Adjustment.....

**\$0.0743**

Revenue Sharing.....

**(\$0.2221)**

## Gas Cost Adjustment

Gas Cost Adjustment (per McF) of Gas  
after adjustment of 1.0417 is .....

**\$3.0927**

Commencing on June 9, 2017 and continuing  
thereafter until changed, the Gas Cost Adjustment  
(per McF) of Gas under Service Classifications  
Nos. 1, 2, 3 and 4 will be .....

**\$3.0927**

Date of Issue: June 7, 2017

Issued by:

Ms. Challis A. Cox, President  
PO Box 207, Alden, NY 14004-0207

**RESERVE GAS COMPANY  
GAS COST ADJUSTMENT**

**MAY 2017**

<b>COMPANY/WELLS</b>	<b>PRODUCTION MCF'S</b>
<b>ALDEN AURORA GAS COMPANY, INC.</b>	
SUESS #1	33.4
STATE PARK #1	37.6
<u>SHOFF #1 (S-I)</u>	<u>0.0</u>
<b>AA SUB-TOTAL</b>	<b><u>71.0</u></b>
<b>ALDEN AURORA GAS COMPANY, INC. (NEW)</b>	
CARDONE #1	39.7
CARDONE #2	41.7
ZOLADZ #1	90.5
ZOLADZ #4	375.9
<u>ZOLADZ #5</u>	<u>169.6</u>
<b>AA (NEW) SUB-TOTAL</b>	<b><u>717.4</u></b>
<b>ALDEN AURORA GAS COMPANY, INC. (NEW 6 WELL)</b>	
LERNER #1	76.3
OLES #2	105.3
THUMAN #1	139.8
VOSS #1	96.2
<u>HOPCIA #1</u>	<u>76.8</u>
<b>AA (NEW 6 WELL) SUB-TOTAL</b>	<b><u>494.4</u></b>
<b>ALDEN AURORA GAS COMPANY, INC. (COG)</b>	
BONTRAGER #3	31.2
CARROLL #1	75.0
CASTANO #1	69.5
CORNWELL #1	72.4
PERKINS WELLS (8 TOTAL)	326.0
LABENSKI, V. #1	115.5
OLES #1	83.9
KOHLAGEN #1 & #2	238.7
A. SHAFFER #1	31.8
A. SHAFFER #2	35.1
A. SHAFFER #3	41.8
A. SHAFFER #4	137.6
A. SHAFFER #5	106.8
A. SHAFFER #6	46.3
TRYBUSKEWICZ #2	76.2
<u>WESTMORELAND DAVIS</u>	<u>69.2</u>
<b>AA (COG) SUB-TOTAL</b>	<b><u>1,557.0</u></b>
<b>ALDEN AURORA GAS COMPANY, INC. (GASTECH)</b>	
COLOSANTI #1	61.4
KYRE #1	238.3
MILLER #1	124.6
ALI #1	0.0
<u>GUARINO #1</u>	<u>186.8</u>
<b>AA (GASTECH) SUB-TOTAL</b>	<b><u>611.1</u></b>

**RESERVE GAS COMPANY  
GAS COST ADJUSTMENT**

**MAY 2017**

**COMPANY/WELLS**

**PRODUCTION MCF'S**

**RESERVE GAS COMPANY, INC.**

DAR. DEV. #1/SCHILLER #1	17.0
KUBIK #1	61.7
NOVAK #1	8.0
H. SHAFFER #2	84.9
PREDMORE #1	146.3
HANFT #1	161.4
SOBOLEWSKI #1	99.2
F. TRYBUSKIEWICZ #1	64.0
VINE #1	152.4
MUFFOLETTO #1 (NM)	0.0
METZ #1	45.3
MAY #1	74.9
SEITZ #1	76.1
LAMPKA #1	123.5
CIESZKI #1	62.4
BONTRAGER #2	46.0
MARLEY #1	0.0
HIPKISS #1	0.0
YUZWAK #1	56.3
KACZMAREK #1	46.6
H. SHAFFER #1	63.4
<u>GILBERT #1</u>	<u>52.6</u>

**RG SUB-TOTAL**

**1,442.0**

**DAVID LABEN**

<u>LABENSKI/COCKRAN #2</u>	<u>0.0</u>
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**DL SUB-TOTAL**

**0.0**

**TOTAL METERED PRODUCTION**

**4,892.9**

**RESERVE GAS COMPANY  
GAS COST ADJUSTMENT**

**MAY 2017**

**GAS PURCHASES AND SALES IN MCF'S**

<b>RESERVE GAS CUSTOMER SALES</b>	<b>12,854.65</b>
<b>GAS PURCHASED FROM ALDEN AURORA (MCF'S)</b>	
AA SUB-TOTAL PAGE #1	320.3
<AA LEASEHOLD FREE GAS>	<u>22.5</u>
<b>TOTAL ALDEN AURORA PURCHASES</b>	<u>297.8</u>
<b>GAS PURCHASED FROM ALDEN AURORA (NEW) (MCF'S)</b>	
AA (NEW) SUB-TOTAL PAGE #1	717.4
<AA (NEW) LEASEHOLD FREE GAS>	<u>51.4</u>
<b>TOTAL ALDEN AURORA (NEW) PURCHASES</b>	<u>666.0</u>
<b>GAS PURCHASED FROM ALDEN AURORA (NEW 6 WELL) (MCF'S)</b>	
AA (NEW 6 WELL) SUB-TOTAL PAGE #1	245.1
<AA (NEW 6 WELL) LEASEHOLD FREE GAS>	<u>35.4</u>
<b>TOTAL ALDEN AURORA (NEW 6 WELL) PURCHASES</b>	<u>209.7</u>
<b>GAS PURCHASED FROM ALDEN AURORA (COG) (MCF'S)</b>	
AA (COG) SUB-TOTAL PAGE #1	1,557.0
<AA (COG) LEASEHOLD FREE GAS>	164.0
<CONTRACT FREE 667 MCF'S>	<u>667.0</u>
<b>TOTAL ALDEN AURORA (COG) PURCHASES</b>	<u>726.0</u>
<b>DORITEX GAS PURCHASED FROM ALDEN AURORA (GASTECH) (MCF'S)</b>	
AA (GASTECH) SALES TO OTHERS (Doritex)	1,137.0
<AA (GASTECH) PRODUCTION>	611.1
<AA (GASTECH) LEASEHOLD GAS>	<u>37.2</u>
<b>DORITEX GAS FROM RESERVE GAS SYSTEM</b>	<u>563.1</u>
<b>OFF-SYSTEM GAS PURCHASED FROM NGO + NFR + DAVID LABEN (MCF'S)</b>	
OFF-SYSTEM NGO + COLE HOOKUP	18.9
OFF-SYSTEM DL WELLS	0.00
OFF-SYSTEM PURCHASES - NFR	<u>8,081.0</u>
<b>TOTAL GAS PURCHASED OFF-SYSTEM (MCF'S)</b>	<u>8,099.9</u>
<b>RESERVE GAS PRODUCTION</b>	
RESERVE GAS CUSTOMER SALES	12,854.65
<ALDEN AURORA PURCHASES>	-297.8
<ALDEN AURORA (NEW) PURCHASES>	-666.0
<ALDEN AURORA (NEW 6 WELL) PURCHASES>	-209.7
<ALDEN AURORA (COG) PURCHASES + FREE 667 MCF>	-1,393.0
<ALDEN AURORA (GASTECH) PURCHASES>	0.0
<DAVID LABEN PURCHASES>	0.0
<NGO PURCHASES>	-18.9
<OFF-SYSTEM PURCHASES - NFR>	<u>-8,081.0</u>
<b>RESERVE GAS PRODUCTION TO CUSTOMERS</b>	<u>2,188.3</u>
<b><u>RESERVE GAS LEASEHOLD FREE GAS</u></b>	<u>185.3</u>
<b>TOTAL RESERVE GAS PRODUCTION</b>	<u>2,373.6</u>

**RESERVE GAS COMPANY  
GAS COST ADJUSTMENT**

**MAY 2017**

**COMPUTATION OF GAS PURCHASE COSTS AND ADJUSTMENTS**

ALDEN AURORA PURCHASES (MCF'S)	297.8
<u>CONTRACT RATE</u>	<u>\$2.664</u>
<b>ALDEN AURORA GAS PURCHASE COST</b>	<b><u>\$793.34</u></b>
ALDEN AURORA (NEW) PURCHASES (MCF'S)	666.0
<u>CONTRACT RATE</u>	<u>\$3.8736</u>
<b>ALDEN AURORA (NEW) GAS PURCHASE COST</b>	<b><u>\$2,579.82</u></b>
ALDEN AURORA (NEW 6 WELL) PURCHASES (MCF'S)	209.7
<u>CONTRACT RATE</u>	<u>\$3.8736</u>
<b>ALDEN AURORA (NEW 6 WELL) GAS PURCHASE COST</b>	<b><u>\$812.29</u></b>
ALDEN AURORA (COG) PURCHASES (MCF'S)	726.0
<u>CONTRACT RATE</u>	<u>\$2.664</u>
<b>ALDEN AURORA (COG) GAS PURCHASE COST</b>	<b><u>\$1,934.06</u></b>
ALDEN AURORA (GASTECH) PURCHASES (MCF'S)	0.0
<u>CONTRACT RATE</u>	<u>\$2.664</u>
<b>ALDEN AURORA (GASTECH) GAS PURCHASE COST</b>	<b><u>\$0.00</u></b>
OFF-SYSTEM PURCHASES NGO + COLE	18.9
<u>CONTRACT RATE - NGO</u>	<u>\$4.304</u>
<b>NGO OFF-SYSTEM GAS PURCHASE COST</b>	<b><u>\$81.35</u></b>
DAVID LABEN OFF-SYSTEM PURCHASES (MCF'S)	0.00
<u>CONTRACT RATE</u>	<u>\$0.000</u>
<b>DL GAS PURCHASE COST</b>	<b><u>\$0.00</u></b>
OFF-SYSTEM PURCHASES - NFR (MCF'S)	8,081.0
<u>CONTRACT RATE - NFG</u>	<u>\$4.0258</u>
<b>NFR OFF-SYSTEM GAS PURCHASE COST</b>	<b><u>\$32,532.49</u></b>
<b>TOTAL OFF-SYSTEM GAS PURCHASE COSTS</b>	<b><u>\$32,613.84</u></b>
TOTAL GAS PURCHASE COSTS	\$38,733.35
<u>&lt;SC6 GAS COSTS&gt;</u>	<u>\$0.00</u>
<b>NET GAS PURCHASE COSTS</b>	<b><u>\$38,733.35</u></b>
<u>SURCHARGE OF FLEX RATE SHORTFALL</u>	<u>\$0.00</u>
<b>ADJUSTED GAS PURCHASE COST</b>	<b><u>\$38,733.35</u></b>
RESERVE GAS CUSTOMER SALES (MCF'S)	12,854.65
<u>&lt;SC6 GAS SALES (MCF'S)&gt;</u>	<u>0.0</u>
<b>NET FIRM CUSTOMER SALES (MCF'S)</b>	<b><u>12,854.65</u></b>
<b><u>AVERAGE COST PER MCF</u></b>	
ADJUSTED GAS PURCHASE COSTS	\$38,733.35
<u>NET FIRM CUSTOMER SALES</u>	<u>12,854.65</u>
<b>AVERAGE COST PER MCF</b>	<b><u>\$3.0132</u></b>

**RESERVE GAS COMPANY  
GAS COST ADJUSTMENT**

**MAY 2017**

<b>AVERAGE COST PER MCF</b>	<b><u>\$3.0132</u></b>
 <b>RESERVE GAS CUSTOMER RATES</b>	
<b>RE-ADJUSTED AVERAGE COST PER MCF</b>	<b>\$3.0132</b>
<b><u>Allowed LAUF Factor</u></b>	<b><u>\$1.0261</u></b>
<b>NET COST PER MCF</b>	<b><u>\$3.0918</u></b>
<b>TEMPORARY STATE ASSESSMENT CHARGE (JULY 2016 - JUNE 2017)</b>	<b>\$0.0249</b>
<b>UNDER CHARGE ADJUSTMENT (JANUARY 2017 - DECEMBER 2017)</b>	<b>\$0.0743</b>
<b><u>REVENUE SHARING (JANUARY 2017 - DECEMBER 2017)</u></b>	<b><u>(\$0.2221)</u></b>
<b>ADJUSTED NET COST PER MCF</b>	<b><u>\$2.9689</u></b>
<b><u>TAX FACTOR</u></b>	<b><u>1.0417</u></b>
<b>ADJUSTED NET COST PER MCF</b>	<b><u>\$3.0927</u></b>