ENSTAR Natural Gas Company

§2301 **Determination of Gas Cost Adjustment**

(1) Current Cost of System Base Gas Supply:

Approved Base Supply Contracts	Estimated Purchases* (A)	Effective Rate on 4/1/2013 (B)	Total (A x B) (C)	C
a) Marathon APL-4	750,000 Mcf	$ 7.5530/Mcf	$ 5,665,000	C
b) Hilcorp Alaska	2,475,000 Mcf	$ 4.1523/Mcf	$ 10,227,000	C
c) Anchor Point Energy	239,000 Mcf	$ 6.9908/Mcf	$ 1,671,000	C
d) Buccaneer Alaska	455,000 Mcf	$ 5.8000/Mcf	$ 2,639,000	C
e) *Reserved Line*	0 Mcf	$ /Mcf	$ 0	
f) System Base Gas Supply	3,919,000 Mcf		$ 20,252,000	C
g) Current Average Cost of System Base Gas Supply (C/A)		$ 5.1676/Mcf		C

(2) Additional Gas Supply:

a) Short Term Supply Contracts	900,000 Mcf	$ 9.5000/Mcf	$ 8,550,000	C
b) Undetermined Supply	311,000 Mcf	$ 8.0000 /Mcf	$ 2,488,000	C
c) Total Additional Gas Supply	1,211,000 Mcf		$ 11,038,000	C
(3) Gas Withdrawn From Storage	0 Mcf	$ 0.0000/Mcf	$ 0.00	C
(4) Transportation Fees			$ 725,000	C
(5) Total Current Cost of System Gas Supply (1f plus 2c,3 & 4)	5,130,000 Mcf		$ 32,015,000	C
(6) Current Average Cost of System Gas Supply (C/A)		$ 6.2407/Mcf		C
(7) Estimated Balance of Gas Cost Balance Account at Mar. 31, 2013. (negative if credit balance)			$ (71,000)	C
(8) Other Adjustments			$ 0	
(9) Estimated Stored Gas Carrying Costs Pursuant to 708c(5)			$ 403,000	C
(10)Total of (5), (7), (8) and (9) above			$ 32,347,000	C
(11)Mcf Sales *			5,110,000	C
(12)Weighted Average Unit Cost of Gas and Gas Cost Adjustment (10 divided by 11)			$ 6.3301/Mcf	R

* For a 3 month period beginning April 1, 2013. C

D – Listing for Marathon APL-8 removed as contract has expired.

Tariff Advice No. 233-4

Effective _____

Issued By: ENSTAR Natural Gas Company, A Division of SEMCO ENERGY, Inc

By: _____ **Title:** Director, Rates and Regulatory Affairs

Daniel M. Dieckgraeff