



June 8, 2012

Mr. Jeff DeRouen, Executive Director
Commonwealth of Kentucky
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

JUN 12 2012

PUBLIC SERVICE
COMMISSION

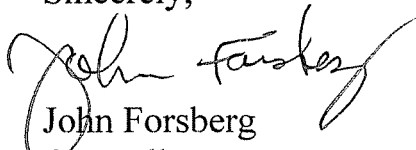
Re: Citipower L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation

Dear Mr. DeRouen:

Please accept the enclosed Citipower, L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation rates to be effective July 1, 2012 based on the reporting period from January 1, 2012 through March 31, 2012. To the best of my knowledge, this filing is complete and accurate, is in accordance with the requirements of the Commonwealth of Kentucky Public Service Commission.

The Public Service Commission may, as it has in the past, correct the Quarterly Report of Gas Cost Recovery Rate Calculation provided by Citipower, and issue its Order based on its corrected Calculation. If the Commission corrects the enclosed Calculation and issues its Order based on the Commission's corrected calculation, please provide me with a legible copy for future reference.

Sincerely,


John Forsberg
Controller

CITIPOWER, LLC

**QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION**

RECEIVED

JUN 12 2012

PUBLIC SERVICE
COMMISSION

Date Filed:

June 8, 2012

Date Rated to be Effective:

July 1, 2012

Reporting Period is Calendar Quarter Ended:

March 31, 2012

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGA)	\$/Mcf	\$3.5130
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$0.3578)
Balance Adjustment (BA)	\$/Mcf	\$0.2458
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$3.4010

to be effective for service rendered from July 1, 2012 to September 30, 2012.

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$226,528
/Sales for the 12 months ended Dec 31, 2011	\$/Mcf	64,484
Expected Gas Cost	\$/Mcf	\$3.5130

<u>B. REFUND ADJUSTMENT CALCULATION</u>	<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
=Refund Adjustment (RA)	\$ Mcf	\$0.0000

<u>C. ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	\$0.0104
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0554)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0814)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.2314)
=Actual Adjustment (AA)	\$ Mcf	(\$0.3578)

<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	(\$0.0053)
+Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0257
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0106
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.2148
=Balance Adjustment (BA)	\$ Mcf	\$0.2458

CITIPOWER, LLC
SCHEDULE II
EXPECTED GAS COST

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Citigas			64,227	\$3.49	\$224,151
Citizens Gas Utility District			257	\$9.25	\$2,377

Totals			64,484		\$226,528
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Line loss for 12 months ended 3/31/2011 is based on purchases of 64,484
and sales of 64,484 Mcf. 0.00%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$226,528
/ Mcf Purchases (4)		64,484
= Average Expected Cost Per Mcf Purchased		\$3.5130
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		64,484
= Total Expected Gas Cost (to Schedule IA)		\$226,528

Calculation of Citigas Rate:

Richardson Barr March 1 NYMEX 12 Mo Strip	\$	2.91
Plus 20% BTU Factor	\$	0.58
Total	\$	3.49
Citizens		
TGP-500 (\$2.29 + \$5.00 + \$1.96)	\$	9.25

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

<u>Particulars</u>	<u>Unit</u>	<u>Jan '12</u>	<u>Feb '12</u>	<u>March '12</u>
Total Supply Volumes Purchased	Mcf	9,327	10,978	5,213
Total Cost of Volumes Purchased	\$	\$48,315	\$49,620	\$22,978
/ Total Sales *	Mcf	9,327	10,978	5,213
= Unit Cost of Gas	\$/Mcf	\$5.1801	\$4.5199	\$4.4079
- EGC in Effect for Month	\$/Mcf	\$4.7121	\$4.7121	\$4.7121
= Difference	\$/Mcf	\$0.4680	(\$0.1922)	(\$0.3042)
x Actual Sales during Month	Mcf	9,327	10,978	5,213
= Monthly Cost Difference	\$	\$4,365	(\$2,110)	(\$1,586)
Total Cost Difference			\$	\$670
/ Sales for 12 months ended 3/31/11			Mcf	64,484
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.0104

* May not be less than 95% of supply volume

CITIPOWER, LLC

SCHEDULE V
BALANCE ADJUSTMENT

Case No. 2011-00081

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	64,484	(\$0.0183)	(\$1,180)	(\$1,520)

Under/(Over) Recovery	(\$340)
Mcf Sales for factor	64,484
BA Factor	(\$0.0053)

Citipower, LLC
Quarterly Report of Gas Cost
Filing Date:6/8/12
Schedule II - Expected Gas Cost

Expected

Month	Mcf	Citigas		Citizens		Total Cost	
		Cost p/mcf	Total	MCF	Cost p/mcf		Total
Apr-11	5,237	3.49	18,265	4	9.25	37	18,302
May-11	3,388	3.49	11,825				11,825
Jun-11	2,546	3.49	8,885				8,885
Jul-11	1,879	3.49	6,556				6,556
Aug-11	2,178	3.49	7,602				7,602
Sep-11	2,219	3.49	7,746				7,746
Oct-12	4,637	3.49	16,184				16,184
Nov-12	9,352	3.49	32,639				32,639
Dec-12	7,529	3.49	26,276				26,276
Jan-12	9,327	3.49	32,552				32,552
Feb-12	10,978	3.49	38,313				38,313
Mar-12	5,213	3.49	17,310	253	9.25	2,340	19,651
	<u>64,484</u>		<u>224,151</u>	<u>257</u>		<u>2,377</u>	<u>226,528</u>



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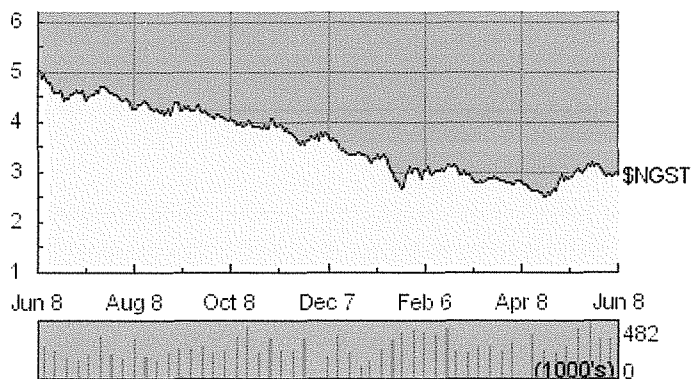
Look under "More Info" for further information. At least 20 min. delay.

NYMEX NATURAL GAS 12-MO STRIP JULY (NYMEX_NT: \$NGST)

More Info: [chart](#) [stock screen](#) [performance screen](#) [news](#)

Last Trade		Change		Trades Today		Day's Volume	
8:59 a.m. -		UNCH (0.0%)		10,053		42,276	
2.91							
Beta		Day's Range		Open		52 Wk Range	
NA		2.86 - 2.91		2.89		2.72 - 7.60	
Prev Close		Ex-Div		Yield		Shares Out. Market Cap.	
2.91		NA		NA%		NA 0	
EPS	PE	Div/Shr	Ex-Div	Yield	Shares Out.	Market Cap.	
NA	NA	0.00	NA	NA%	NA	0	

• 1 Year Stock Performance:



TickerTech.com Jun 8, 2012

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Sonat-T1	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.3150	2.2875	2.3007	-0.770	201,600	31	22
Southern Star	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2400	2.2100	2.2325	-1194	46,100	11	8
Stanfield	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.1100	2.0700	2.0913	-0.708	40,000	5	4
TETCO-ELA	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2900	2.2600	2.2825	-0.813	103,700	21	20
TETCO-ETX	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2500	2.2300	2.2375	-1210	23,300	9	10
TETCO-M1 24	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2600	2.2600	2.2600	-0.800	1,000	1	2
TETCO-M1 30	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2800	2.2100	2.2659	-1009	134,100	29	18
TETCO-M2	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.4100	2.4100	2.4100	-0.672	5,000	1	2
TETCO-M2 (receipt)	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.3400	2.2850	2.3074	-0.922	83,900	19	17
TETCO-M3	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.4800	2.4300	2.4629	-0.849	545,700	92	30
TETCO-STX	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.3000	2.2725	2.2868	-0.669	64,500	11	11
TETCO-WLA	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.3150	2.2800	2.2915	-0.837	40,300	11	13
TGP-500L	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.3200	2.2500	2.2881	-0.992	238,700	51	31
TGP-800L	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2900	2.2500	2.2738	-0.942	285,600	56	33
TGP-Z0	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2900	2.2200	2.2722	-0.951	171,700	35	27
TGP-Z1 100L	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.2775	2.2750	2.2762	-0.863	19,900	2	3
TGP-Z4 Marcellus	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.0500	1.7600	1.9151	-1.573	93,400	27	20
TGP-Z4 Sta-219	Jun 7, 2012	Jun 8, 2012	Jun 8, 2012	2.3700	2.3300	2.3516	-0.816	99,300	23	20



June 8, 2012

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for July 2012 through September 2012 will be as calculated below:

Purchases From Forexco:

Richardson Barr June 8 NYMEX 12 Month Strip	\$ 2.91
Plus 20% BTU Factor	<u>\$.58</u>

Total	\$ 3.49
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Purchases From Citizens:

TGP-500L (6/8/12 \$2.29) + \$5.00 + \$1.96 p/mcf	\$9.25
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Sincerely,

Daniel R Forsberg
President

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Greensboro, NC 27408
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