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PUBLIC SERVICE
COMMISSION

1/11/2016

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

Re: Case No. 2015-00425
Supplemental Data
Kentucky Frontier Gas, LLC

Dear Mr. Derouen:

The attached GCR Schedule I, Schedule II and KFG Revised Supply Volumes Purchased are provided for supplementing the record in Case No. 2015-00425.

If you have questions, please call me at 303-422-3400.

Sincerely,

KENTUCKY FRONTIER GAS, LLC

A handwritten signature in blue ink that reads "Dennis R. Horner".

Dennis R. Horner
Kentucky Frontier Gas, LLC

Enclosures

KFG UNIFIED GAS COST RECOVERY RATE

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$ 3.8675
+ Refund Adjustment (RA)	\$/Mcf	\$ -
+ Actual Adjustment (AA)	\$/Mcf	\$ (1.5080)
+ Balance Adjustment (BA)	\$/Mcf	\$ 1.2232
= Gas Cost Recovery Rate (GCR)		3.5826

GCR to be effective for service rendered from: February 1, 2016

A	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$ 1,186,569
/	Sales for the 12 months ended July 31, 2015	Mcf	306,807
=	Expected Gas Cost (EGC)	\$/Mcf	\$ 3.8675

B	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch. III)	\$	-
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
=	Refund Adjustment (RA)	\$/Mcf	\$ -

C	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Current Reporting Period (Sch. IV)	\$/Mcf	\$ 0.0103
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0340) expires 10/31/2016
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.8907) expires 7/31/2016
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.5936) expires 4/30/2016
=	Actual Adjustment (AA)	\$/Mcf	\$ (1.5080)

D	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Sch. V)	\$/Mcf	\$ 0.0036
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.2924 expires 10/31/2016
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.7730 expires 7/31/2016
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.1542 expires 4/30/2016
=	Balance Adjustment (BA)	\$/Mcf	\$ 1.2232

Kentucky Frontier Gas, LLC - Unified

SCHEDULE II

EXPECTED GAS COST

MCF Purchases for 12 months ended:

October 31, 2015

Supplier	NO LIMITER Dth	Btu Factor	Mcf	Rate	(4) x (5) Cost
AEI-KAARS		N/A	1,879	\$ 3.1000	\$ 5,825
** Chattaco		1.0916	0	\$ 4.3664	\$ -
Chesapeake		N/A	0	\$ -	\$ -
Columbia (Goble Roberts,Peoples)		N/A	12,717	\$ 3.6479	\$ 46,390
Cumberland Valley (Auxier)		1.2378	97,869	\$ 2.6181	\$ 256,228
Cumberland Valley (Sigma) includes \$1.25/Mcf DLR trans		1.2378	11,943	\$ 3.8681	\$ 46,196
EQT (EKU,MLG,Price)		1.2668	77,182	\$ 4.1806	\$ 322,664
* Gray		1.0595	9,143	\$ 4.7678	\$ 43,592
** HI-Energy		0.9953	6,281	\$ 3.9812	\$ 25,006
** HTC		1.1079	1,806	\$ 4.4316	\$ 8,003
** Interstate NG (Sigma) rate includes \$1.25/Mcf DLR trans			0	\$ -	\$ -
Jefferson (Sigma) rate includes \$1.25/Mcf DLR trans		1.1404	18,158	\$ 5.5816	\$ 101,350
Magnum Drilling, Inc.		N/A	3,574	\$ 10.5000	\$ 37,527
Nytis (Auxier)		1.0962	8,127	\$ 1.5770	\$ 12,816
Nytis (Sigma) includes \$1.25/Mcf DLR trans		1.0962	18,690	\$ 2.8270	\$ 52,837
** Plateau		1.1200	270	\$ 4.4800	\$ 1,210
Quality (Belfry)		1.2000	63,045	\$ 2.2780	\$ 143,614
Slone Energy		1.1000	12,576	\$ 4.4000	\$ 55,334
** Spirit		1.1178	3,361	\$ 4.4712	\$ 15,028
** Tackett & Sons Drilling		1.0790	3,000	\$ 4.3160	\$ 12,948
Totals			349,621	\$ 3.3939	\$ 1,186,569

Line loss 12 months ended: Oct-15 based on purchases of 349,621 Mcf
and sales of 306,807 Mcf. 12% L&U

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$ 1,186,569
/ Mcf Purchases (4)	Mcf	349,621
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 3.3939
x Allowable Mcf Purchases (w/o 5% Limiter)	Mcf	349,621
= Total Expected Gas Cost (to Schedule 1A)	\$	\$ 1,186,569

Estimated Avg TCo for Feb, Mar, Apr = \$1.9483/Dth (NYMEX Avg + \$-0.15/Dth (TCo Appal Basis) = \$1.7983/Dth

AEI-KAARS contract = \$3.10/Mcf

EQT = \$1.7983/Dth (TCo) + \$0.2518 (14% Fuel) + \$1.05 (Commodity) + \$0.20 (Demand) = \$3.3001/Dth

Jefferson contract = \$1.7983/Dth (TCo) + \$2.00/Dth cost factor = \$3.7983/Dth

CVR = \$1.7983 (TCo) + \$0.0190/Dth Commodity + \$0.1923/Dth TCo Demand + \$0.0555/Dth Fuel + \$0.05/Dth CVR Fee = \$2.1151/Dth

Chattaco,HI-Energy,HTC,ING,Plateau,Spirit,Tackett contract = \$4.00/Dth or 80% of TCo, whichever is greater

Gray, contract = \$4.50/Dth or 80% of TCo, whichever is greater

Magnum Drilling contract = \$10.50/Mcf

Nytis contract = .8 x \$1.7983/Dth (TCo) = \$1.4386/Dth

Slone contract = \$4.00/Dth

Quality (Belfry) = \$1.7983/Dth (TCo) + \$0.10 = \$1.8983/Dth

DLR Transportation for Cow Creek (Sigma) = \$1.25/Mcf on volumes from Auxier,ING,Jefferson,Nytis

* Estimated 3 mo. TCo = \$1.7983/Dth x .8 = \$1.4386/Dth < \$4.50/Dth; \$4.50/Dth

** Estimated 3 mo. TCo = \$1.7983/Dth x .8 = \$1.4386/Dth < \$4.00/Dth; \$4.00/Dth

*** Estimated 3 mo. TCo = \$1.7983/Dth x .8 = \$1.4386/Dth < \$3.00/Dth; \$3.00/Dth

KFG REVISED SUPPLY VOLUMES PURCHASED

Case No. 2015-00104	<u>Jan-15</u>
	<u>MCF</u>
Total Supply Volume Purchased in Case No. 2015-00104	64,130
Actual Total Supply Volume Purchased	63,761
Net Change	-369

Case No. 2015-00215	<u>Apr-15</u>
	<u>MCF</u>
Total Supply Volume Purchased in Case No. 2015-00104	20,859
Actual Total Supply Volume Purchased	20,174
Net Change	-685

Case No. 2015-00330	<u>Jun-15</u>	<u>Jul-15</u>
	<u>MCF</u>	<u>MCF</u>
Total Supply Volume Purchased in Case No. 2015-00104	8,853	8,668
Actual Total Supply Volume Purchased	8,258	8,690
Net Change	-595	22