

RECEIVED

August 29, 2016

SEP 1 2016

Public Service  
Commission

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

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 October 1, 2016 based on the reporting period from April 1, 2016 through June 30, 2016. 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,



Adam Forsberg  
Controller

**CITIPOWER, LLC**

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

Date Filed:

August 29, 2016

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Date Rated to be Effective:

October 1, 2016

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Reporting Period is Calendar Quarter Ended:

June 2016

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CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$4.1168
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$0.2535)
Balance Adjustment (BA)	\$/Mcf	(\$0.0538)
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$3.8096

to be effective for service rendered from October 2016 through December 2016

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$275,833
/Sales for the 12 months ended 6/16	\$/Mcf	67,002
Expected Gas Cost	\$/Mcf	\$4.1168
<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	(\$0.0896)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.0000
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.1210)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0429)
=Actual Adjustment (AA)	\$ Mcf	(\$0.2535)
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	(\$0.0196)
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0329)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0020)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0007
=Balance Adjustment (BA)	\$ Mcf	(\$0.0538)

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			62,767	\$3.73	\$234,246
Citizens Gas Utility District			4,235	\$9.82	\$41,588
<b>Totals</b>			<b>67,002</b>		<b>\$275,833</b>
Line loss for 12 months ended <u>6/30/2016</u> is based on purchases of <u>67,002</u>					
and sales of <u>67,002</u> Mcf. 0.00%					
					<u>Unit</u>
Total Expected Cost of Purchases (6)					\$275,833
/ Mcf Purchases (4)					67,002
= Average Expected Cost Per Mcf Purchased					\$4.1168
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)					67,002
= Total Expected Gas Cost (to Schedule IA)					\$275,833

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

Particulars	Unit	Apr-16	May-16	Jun-16
Total Supply Volumes Purchased	Mcf	5,051	3,137	2,047
Total Cost of Volumes Purchased	\$	\$14,142	\$8,782	\$5,732
/ Total Sales *	Mcf	5,051	3,137	2,047
= Unit Cost of Gas	\$/Mcf	\$2.8000	\$2.8000	\$2.8000
- EGC in Effect for Month	\$/Mcf	\$3.3863	\$3.3863	\$3.3863
= Difference	\$/Mcf	(\$0.5863)	(\$0.5863)	(\$0.5863)
x Actual Sales during Month	Mcf	5,051	3,137	2,047
= Monthly Cost Difference	\$	(\$2,961)	(\$1,839)	(\$1,200)
Total Cost Difference			\$	(\$6,001)
/ Sales for 12 months ended 6/30/16			Mcf	67,002
= Actual Adjustment for the Reporting Period (to Sch IC)				(\$0.0896)

\* May not be less than 95% of supply volume

2015-00177

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	67,002	(\$0.1511)	(\$10,124)	(\$11,435)

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Under/(Over) Recovery	(\$1,311)
Mcf Sales for factor	67,002
BA Factor	(\$0.0196)



# Citigas, LLC

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August 29, 2016

Citipower, LLC  
2122 Enterprise Rd.  
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for October 2016 through December 2016 will be as calculated below:

Purchases From Forexco:

Richardson Barr NYMEX 12 Month Strip	\$ 3.11
Plus 20% BTU Factor	<u>\$ 0.62</u>

Total	\$ 3.73
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Purchases From Citizens:

TGP-500L \$2.61 + \$5.00 + \$2.21 p/mcf	\$ 9.82
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Sincerely,

Daniel R Forsberg  
President

2122 Enterprise Rd.  
Greensboro, NC 27408  
(336) 379-0800  
(336) 379-0881 Fax

New price effective is 2.80  
Which includes BTU adjustment

Citigas, LLC  
2122 Enterprise Rd.  
Greensboro, NC 27408

May 1, 2016

INVOICE

Sold to: Citipower, LLC  
PO Box 1309  
Whitley City, KY 42653

PROD MONTH: April-16

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$2.8000

MCFs 5,050.80 per Citipower reports  
Net MCFs purchased from Forexco 0.00 Less gas purchased from Citizens  
Amount Due 5,050.80  
\$14,142.24

XXXXXXXX XXXXXXXX XXXXXXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX

Invoiced from Citizens Gas Utility District \$0.00

MCFs 0.00

Transportation @ .25/mcf \$0.00

Marketing fee @ \$1.96/mcf \$0.00

Total amount due for Citizens purchase \$0.00

Total due for month \$14,142.24







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

<b>NYMEX NATURAL GAS 12-MO STRIP SEPTEMBER (NYMEX_NT: \$NGST)</b> More Info: <a href="#">chart</a> <a href="#">stock screen</a> <a href="#">performance screen</a> <a href="#">news</a>						
Last Trade 1:29 p.m. - <b>3.110</b>		Change ↑ 0.033 (↑ 1.07%)		Trades Today 4,948	Day's Volume 245,492	
Beta NA		Day's Range 3.049 - 3.113	Prev Close 3.077	Open 3.074	52 Wk Range 2.324 - 4.448	
EPS NA	PE NA	Div/Shr 0.00	Ex-Div NA	Yield NA%	Shares Out. NA	Market Cap. 0
• 1 Year Stock Performance:						
<p>TickerTech.com Aug 26, 2016</p> <p>1 Quarter   1 Year   5 Years   Compare multiple stocks: <input type="text" value="\$NGST"/> <input type="button" value="Compare"/></p>						

[Back](#)

		\$0.030	\$0.030							\$0.038	\$0.038		\$0.040	\$0.030
	NYMEX Settle	PEPL TX OK	TGPL LA-500	Transco Zone 5	NGPL Mid-Con	NGPL Texok	Chicago City Gate	ANR LA	ANR OK	NNG Ventura	So. Star MidCon	CIG Rocky	EPNG Permian	
Aug-14	3.808	3.57	3.77		3.66	3.75	3.87	3.74	3.62	3.80		3.58	3.71	
Sep-14	3.957	3.74	3.92		3.82	3.89	4.01	3.91	3.79	3.97		3.73	3.83	
Oct-14	3.984	3.74	3.93		3.76	3.92	4.07	3.93	3.75	3.98		3.65	3.74	
Nov-14	3.728	3.44	3.67		3.42	3.59	3.75	3.65	3.44	3.70		3.37	3.41	
Dec-14	4.282	4.22	4.25		4.22	4.18	5.17	4.19	4.35	5.11		4.33	4.21	
Jan-15	3.189	3.07	3.17		3.04	3.06	3.61	3.11	3.17	3.60		3.06	3.03	
Feb-15	2.866	2.62	2.85		2.71	2.75	3.02	2.81	2.75	3.01		2.63	2.64	
Mar-15	2.894	2.62	2.89		2.66	2.79	3.67	2.86	2.77	3.38		2.61	2.62	
Apr-15	2.590	2.25	2.54		2.39	2.52	2.65	2.52	2.35	2.54		2.25	2.37	
May-15	2.517	2.19	2.49		2.29	2.43	2.52	2.45	2.27	2.41		2.20	2.26	
Jun-15	2.815	2.55	2.79		2.66	2.73	2.86	2.77	2.57	2.70		2.54	2.59	
Jul-15	2.773	2.55	2.75		2.66	2.69	2.82	2.72	2.53	2.68		2.56	2.68	
Aug-15	2.886	2.65	2.86		2.70	2.79	2.89	2.84	2.64	2.79		2.58	2.73	
Sep-15	2.638	2.37	2.60		2.53	2.60	2.78	2.59	2.42	2.67		2.42	2.53	
Oct-15	2.563	2.38	2.50		2.46	2.50	2.70	2.49	2.36	2.64		2.36	2.42	
Nov-15	2.033	1.87	1.97		1.98	1.95	2.34	1.96	1.90	2.28		1.94	1.99	
Dec-15	2.206	2.08	2.15		2.11	2.13	2.39	2.15	2.11	2.32		2.15	2.14	
Jan-16	2.372	2.10	2.34		2.16	2.25	2.57	2.33	2.06	2.33		1.90	2.08	
Feb-16	2.189	2.04	2.16		2.06	2.13	2.32	2.17	2.05	2.28		1.99	2.02	
Mar-16	1.711	1.48	1.66		1.52	1.62	1.85	1.64	1.53	1.63		1.49	1.55	
Apr-16	1.903	1.61	1.84		1.59	1.80	1.89	1.83	1.63	1.73		1.61	1.54	
May-16	1.995	1.73	1.92		1.83	1.91	2.04	1.92	1.79	1.91		1.74	1.80	
Jun-16	1.963	1.76	1.89		1.84	1.88	1.94	1.88	1.77	1.88		1.78	1.81	
Jul-16	2.917	2.66	2.86		2.62	2.75	2.80	2.85	2.53	2.70		2.48	2.56	
Aug-16	2.672	2.43	2.61		2.52	2.62	2.67	2.59	2.47	2.60		2.43	2.56	