



April 22, 2005

Beth O'Donnell, Executive Director
Commonwealth of Kentucky
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

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APR 25 2005

PUBLIC SERVICE
COMMISSION

Case No. 2005-00169

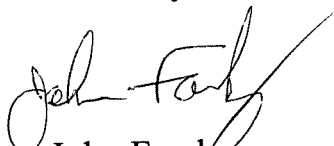
Re: Citipower L.L.C.
Quarterly Report of Gas Cost Recovery Rate Calculation

Dear Ms. O'Donnell:

Please accept the enclosed Citipower, L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation, filed April 22, 2005 for rates to be effective June 1, 2005 based on the reporting period from November 1, 2004 through January 31, 2005. 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, and is consistent with the calculation of the rates Ordered by the Public Service Commission on August 8, 2002 regarding Case No. 2002-00252.

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 of the Commission's corrected Calculation for my future reference.

Sincerely,



John Forsberg

Citipower, LLC
2122 Enterprise Road
Greensboro, NC 27408

Voice 336-379-0800
Fax 336-379-0881

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APPENDIX B
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PUBLIC SERVICE
COMMISSION

Citipower, LLC

COMPANY NAME

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

4-22-05

Date Rates to be Effective:

6-1-05

Reporting Period is Calendar Quarter Ended:

1-31-05

Citipower, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	8.6700
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	
+ Balance Adjustment (BA)	\$/Mcf	1.0903
= Gas Cost Recovery Rate (GCR)	\$/Mcf	<u><1.5135></u>
		8.2468

GCR to be effective for service rendered from 6-1-05 to 8-31-05

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	663,535
	+ Sales for the 12 months ended _____	Mcf	<u>76,532</u>
	<u>Expected Gas Cost (EGC)</u>	\$/Mcf	8.67
B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch. III)	\$/Mcf	
	+ 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 Adj Per Case #2002-0252 (expires 8/31/05)		1.1176
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	<.4223>
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	.2126
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	.0495
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	.1369
	= Actual Adjustment (AA)	\$/Mcf	<u>1.0903</u>
D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Case 2002-0252 Period Sept 02 - Oct 03		<.4679>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	<.1579>
	+ Previous Quarter Reported Balance Adjustment	\$/Mcf	<.0198>
	+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	<.3591>
	+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	<.5093>
	= Balance Adjustment (BA)	\$/Mcf	<u><1.5135></u>

Citipower, LLC

SCHEDULE II
EXPECTED GAS COST

Actual* Mcf Purchases for 12 months ended 1-31-05

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Forexco, INC			76,532		663,535

Totals 76,532 663,535

Line loss for 12 months ended _____ is _____% based on purchases of _____ Mcf and sales of _____ Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	663,535
+ Mcf Purchases (4)	Mcf	76,532
= Average Expected Cost Per Mcf Purchased	\$/Mcf	8.67
x Allowable Mcf purchases (must not exceed Mcf sales + .95)	Mcf	76,532
= Total Expected Gas Cost (to Schedule IA.)	\$	663,535

*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.
**Supplier's tariff sheets or notices are attached.

C. J. Power, LLC

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____ (reporting period)

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	
+ Interest	\$	
= Refund Adjustment including interest	\$	
+ Sales for 12 months ended _____	Mcf	
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	0-

Champion, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

1-31-05

For the 3 month period ended (reporting period)

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(11-04)</u>	<u>Month 2</u> <u>(12-04)</u>	<u>Month 3</u> <u>(1-05)</u>
Total Supply Volumes Purchased	Mcf	7,772	12,419	12,044
Total Cost of Volumes Purchased	\$	71,952	91,640	91,356
+ Total Sales (may not be less than 95% of supply volumes)	Mcf	7,772	12,419	12,044
<u>= Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>9.258</u>	<u>7.380</u>	<u>7.585</u>
<u>- EGC in effect for month</u>	<u>\$/Mcf</u>	<u>6.986</u>	<u>9.524</u>	<u>9.524</u>
= Difference [(Over-)/Under-Recovery]	\$/Mcf	2.272	<2.144>	<1.939>
<u>x Actual sales during month</u>	<u>Mcf</u>	<u>7,772</u>	<u>12,419</u>	<u>12,044</u>
= Monthly cost difference	\$	17,658	<26,626>	<23,353>

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(32,321)
+ Sales for 12 months ended <u>1-31-05</u>	Mcf	<u>76,532</u>
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	<.4223>

C. Dipani, LLC

SCHEDULE V

BALANCE ADJUSTMENT

1-31-05

For the 3 month period ended _____ (reporting period)

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1) Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR. Less: Dollar amount resulting from the AA of <u><.0833></u> \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of <u>75,809</u> Mcf during the 12-month period the AA was in effect. Equals: Balance Adjustment for the AA.	\$	<5,622> \$ <6,315> \$ <u><11,937></u>
(2) Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR. Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect. Equals: Balance Adjustment for the RA.	\$	 \$ _____ \$ _____
(3) Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR. Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect. Equals: Balance Adjustment for the BA.	\$	 \$ _____ \$ _____
Total Balance Adjustment Amount (1) + (2) + (3)	\$	<11,937>
+ Sales for 12 months ended _____	Mcf	<u>75,809</u>
Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	<.1574>

**Citipower LLC
Quarterly Report of Gas Cost
Recovery Rate Calculation
Filing 04/22/05**

**Schedule II
Expected Gas Cost**

Month	Mcf	Expected Rate	Cost
February-04	12,467	8.6700	108,088.89
March-04	7,769	8.6700	67,357.23
April-04	6,047	8.6700	52,427.49
May-04	3,248	8.6700	28,160.16
June-04	2,561	8.6700	22,203.87
July-04	1,882	8.6700	16,316.94
Aug-04	2,605	8.6700	22,588.82
Sep-04	3,443	8.6700	29,847.34
Oct-04	4,275	8.6700	37,064.25
Nov-04	7,772	8.6700	67,383.24
Dec-05	12,419	8.6700	107,672.73
Jan-05	12,044	8.6700	104,421.48
	76,532	8.6700	663,532.44

**Citipower LLC
Quarterly Report of Gas Cost
Recovery Rate Calculation
Filing 04/22/05**

**Schedule V
Balance Adjustment**

for Balance Adjustment
of AA effective 06-01-2003

Month	Mcf
March-04	7,769
April-04	6,047
May-04	3,248
June-04	2,561
July-04	1,882
August-04	2,605
September-04	3,443
October-04	4,275
November-04	7,772
December-04	12,419
January-05	12,044
February-05	<u>11,744</u>
	75,809

for Balance Adjustment
of AA effective 09-01-2002 thru 08-31-2005
(BA in effect 03-01-2004 thru 02-28-2005)

Month	Mcf
September-02	1,208
October-02	3,328
November-02	5,800
December-02	9,292
January-03	11,863
February-03	11,155
March-03	5,075
April-03	4,008
May-03	3,652
June-03	3,738
July-03	3,331
August-03	2,346
	64,796

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Commodity Futures Price Quotes For NYMEX Henry Hub Natural Gas

Commodity market prices and quotes are updated continuously during market hours.
(Price quotes for NYMEX Henry Hub Natural Gas delayed at least 30 minutes as per exchange requirements)

Total 21.67 / 3 = 7.223 [Click here to refresh data](#) *X 1.2 (B+U Adj) = 8.67*

Month <small>Click for chart</small>	Session										Pr.Day		Options
	Open	High	Low	Last	Time	Sett	Chg	Vol	Ticks	Sett	OpInt		
May 05	7.02	7.09	6.915	7.045	14:30	-	+0.095	34578	23560	6.95	34187	Call Put	
Jun 05	7.13	7.175	7.02	7.135	14:29	-	+0.086	15491	5070	7.049	55679	Call Put	
Jul 05	7.23	7.27	7.116	7.235	14:29	-	+0.089	4107	2786	7.146	53806	Call Put	
Aug 05	7.285	7.32	7.19	7.3	14:27	-	+0.089	767	2003	7.211	29202	Call Put	
Sep 05	7.335	7.36	7.238	7.32	14:22	-	+0.072	1234	1392	7.248	30011	Call Put	
Oct 05	7.35	7.41	7.271	7.37	14:11	-	+0.075	994	2103	7.295	45012	Call Put	
Nov 05	7.78	7.78	7.661	7.76	13:50	-	+0.07	575	900	7.69	17846	Call Put	
Dec 05	8.1	8.15	8.021	8.15	14:29	-	+0.105	894	1524	8.045	29255	Call Put	
Jan 06	8.33	8.37	8.235	8.34	14:22	-	+0.08	1608	1390	8.26	21418	Call Put	
Feb 06	8.32	8.35	8.31	8.34	13:58	-	+0.085	354	70	8.255	16032	Call Put	
Mar 06	8.19	8.21	8.185	8.21	14:18	-	+0.09	509	828	8.12	25788	Call Put	
Apr 06	7.09	7.12	7.06	7.12	14:08	-	+0.085	547	352	7.035	14782	Call Put	
May 06	6.95	6.95	6.95	6.95	11:23	-	+0.06	508	38	6.89	11353	Call Put	
Jun 06	6.927	7.02	6.99	7.02	14:03	-	+0.093	270	2	6.927	5119	Call Put	
Jul 06	-	-	-	6.962	-	-	0	155	181	6.962	8540	Call Put	
Aug 06	-	-	-	6.982	-	-	0	9	16	6.982	6433	Call Put	
Sep 06	7.015	7.015	7.015	7.015	10:54	-	+0.053	2	23	6.962	4910	Call Put	
Oct 06	-	-	-	6.995	-	-	0	348	26	6.995	8041	Call Put	
Nov 06	7.36	7.38	7.36	7.38	13:17	-	+0.06	0	2	7.32	4418	Call Put	
Dec 06	7.67	7.71	7.64	7.71	14:22	-	+0.075	94	9	7.635	5779	Call Put	
Jan 07	7.91	7.92	7.91	7.92	13:14	-	+0.065	27	9	7.855	6366	Call Put	
Feb 07	-	-	-	7.835	-	-	0	15	5	7.835	2172	Call Put	
Mar 07	-	-	-	7.69	-	-	0	3	8	7.69	3318	Call Put	
Jun 07	-	-	-	6.445	-	-	0	3	15	6.445	990	Call Put	
Dec 07	-	-	-	7.13	-	-	0	3	0	7.13	2226	Call Put	

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BETH O'DONNELL
 COMMONWEALTH OF KY
 PUBLIC SERVICE COMMISSION
 PO BOX 615
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