

February 25, 2015

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PUBLIC SERVICE
COMMISSION

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

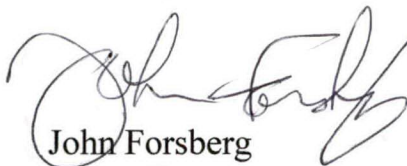
Re: Citipower L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation

Dear Mr. Derouen:

Please accept the enclosed Citipower, L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation rates to be effective April 1, 2015 based on the reporting period from October 1, 2014 through December 31, 2014. 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

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APPENDIX B
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CITIPOWER, LLC

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

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Date Filed:

February 25, 2015

Date Rated to be Effective:

April 1, 2015

Reporting Period is Calendar Quarter Ended:

December 2014

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGA)	\$/Mcf	\$4.0358
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.0734
Balance Adjustment (BA)	\$/Mcf	\$0.0198
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$4.1290

to be effective for service rendered from April 2015 to June 2015.

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$317,329
/Sales for the 12 months ended 12/31/14	\$/Mcf	78,629
Expected Gas Cost	\$/Mcf	\$4.0358

<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	\$0.0505
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0174)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.0000
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.0403
=Actual Adjustment (AA)	\$ Mcf	\$0.0734

<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0004
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0024)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0000
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0218
=Balance Adjustment (BA)	\$ Mcf	\$0.0198

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			74,156	\$3.67	\$272,151
Citizens Gas Utility District			4,473	\$10.10	\$45,177
Totals			78,629		\$317,329

Line loss for 12 months ended 12/31/2014 is based on purchases of 78,629
and sales of 78,629 Mcf. 0.00%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$317,329
/ Mcf Purchases (4)		78,629
= Average Expected Cost Per Mcf Purchased		\$4.0358
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		78,629
= Total Expected Gas Cost (to Schedule IA)		\$317,329

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

<u>Particulars</u>	<u>Unit</u>	<u>Oct-14</u>	<u>Nov-14</u>	<u>Dec-14</u>
Total Supply Volumes Purchased	Mcf	3,466	8,665	9,616
Total Cost of Volumes Purchased	\$	\$18,576	\$46,442	\$50,759
/ Total Sales *	Mcf	3,466	8,665	9,616
= Unit Cost of Gas	\$/Mcf	\$5.3595	\$5.3598	\$5.2786
- EGC in Effect for Month	\$/Mcf	\$5.1412	\$5.1412	\$5.1412
= Difference	\$/Mcf	\$0.2183	\$0.2186	\$0.1374
x Actual Sales during Month	Mcf	3,466	8,665	9,616
= Monthly Cost Difference	\$	\$757	\$1,894	\$1,321
Total Cost Difference			\$	\$3,972
/ Sales for 12 months ended 9/30/14			Mcf	78,629
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.0505

* May not be less than 95% of supply volume

CITIPOWER, LLC

**SCHEDULE V
BALANCE ADJUSTMENT**

Case No. 2013-00433

<u>Effective Date</u>	<u>12 months Mcf Sales</u>	<u>Factor</u>	<u>Refunded</u>	<u>Balance</u>
Beginning Balance	78,629	\$0.0400	\$3,145	\$3,178

Under/(Over) Recovery	\$33
Mcf Sales for factor	78,629
BA Factor	\$0.0004

Ctipower, LLC
Quarterly Report of Gas Cost
Schedule II - Expected Gas Cost

Month	Mcf	Expected					Total Cost	Mcf (Sold)
		Citigas		MCF	Citizens			
		Cost p/mcf	Total		Cost p/mcf	Total		
Jan-14	14,703	3.87	53,960	2,610	10.10	28,381	80,321	17,313
Feb-14	12,163	3.87	44,639	1,109	10.10	11,201	55,839	13,272
Mar-14	10,360	3.87	38,022	506	10.10	5,111	43,132	10,866
Apr-14	4,817	3.87	17,878				17,678	4,817
May-14	3,245	3.67	11,909				11,909	3,245
Jun-14	2,045	3.87	7,505				7,505	2,045
Jul-14	1,923	3.87	7,058				7,058	1,923
Aug-14	1,649	3.87	6,052				6,052	1,649
Sep-14	1,752	3.87	6,430				6,430	1,752
Oct-14	3,466	3.87	12,720				12,720	3,466
Nov-14	8,665	3.87	31,801				31,801	8,666
Dec-14	9,368	3.87	34,381	248	10.10	2,505	36,885	9,816
	<u>74,158</u>		<u>272,151</u>	<u>4,473</u>		<u>45,177</u>	<u>317,329</u>	<u>78,629</u>

Citigas, LLC

February 25, 2015

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for April 2015 through June 2015 will be as calculated below:

Purchases From Forexco:

Richardson Barr NYMEX 12 Month Strip	\$ 3.06
Plus 20% BTU Factor	<u>\$.61</u>

Total	\$ 3.67
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Purchases From Citizens:

TGP-500L \$3.14 + \$5.00 + \$1.96 p/mcf	\$10.10
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Sincerely,



Daniel R Forsberg
President

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



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RBC Richardson Barr

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

NYMEX NATURAL GAS 12-MO STRIP MARCH (NYMEX_NT: \$NGST)						
More Info: chart stock screen performance screen news						
Last Trade 8:44 a.m. - 3.06		Change UNCH (0.0%)		Trades Today 758	Day's Volume 11,983	
Beta NA		Day's Range 3.04 - 3.07	Prev Close 3.06	Open 3.06	52 Wk Range 2.82 - 4.39	
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 Feb 25, 2015</p> <p>1 Quarter 1 Year 5 Years Compare multiple stocks: \$NGST <input type="button" value="Compare"/></p>						

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TETCO-ELA	\$3.1400	\$3.0900	\$3.0985	-0.0949	254,700	44
TETCO-ETX	\$3.1500	\$3.0500	\$3.0922	-0.1776	5,400	6
TETCO-M1 24	\$3.3000	\$3.3000	\$3.3000	0.0500	500	1
TETCO-M1 30	\$3.2100	\$3.1950	\$3.2045	-0.0722	59,700	12
TETCO-STX	\$3.0000	\$2.9550	\$2.9734	-0.1340	192,900	35
TETCO-WLA	\$3.0750	\$3.0050	\$3.0546	-0.1115	319,100	32
TGP-500L	\$3.1600	\$3.0500	\$3.1398	-0.0814	467,400	82
TGP-800L	\$3.1450	\$3.0800	\$3.1099	-0.0846	555,200	87
TGP-Z0	\$3.0000	\$2.9000	\$2.9559	-0.1033	204,200	42
TGP-Z1 100L	\$3.0900	\$3.0900	\$3.0900	0.1360	2,100	1
TGT-Mainline	\$3.1450	\$3.1200	\$3.1289	-0.0835	328,800	51
TGT-North LA	\$3.1250	\$3.1250	\$3.1250	-0.0450	2,500	1
TGT-SL	\$3.1300	\$3.1100	\$3.1249	-0.0682	56,900	10
Transco-30	\$3.0400	\$2.9700	\$3.0038	-0.1380	42,100	15
Transco-45	\$3.0800	\$3.0800	\$3.0800	-0.0800	4,200	3
Transco-65	\$3.1450	\$3.1025	\$3.1195	-0.0761	162,000	26
Transco-85	\$3.1600	\$3.0800	\$3.1385	-0.0776	942,300	121
Tres Palacios (w/d)	\$2.9900	\$2.9300	\$2.9645	-0.1234	47,200	10
Trunkline-ELA	\$3.1200	\$3.0700	\$3.0839	-0.0903	43,600	9
Trunkline-WLA	\$3.1100	\$3.1000	\$3.1010	-0.1190	11,100	3
Trunkline-Z1A	\$3.1600	\$3.1100	\$3.1326	-0.0756	290,400	46
Alliance Delivered	\$5.7500	\$4.2000	\$5.1894	-0.3043	404,400	52
ANR-Joliet Hub	\$5.3500	\$4.5000	\$4.9861	-0.1356	75,900	15
ANR-SW	\$2.9300	\$2.8800	\$2.9030	-0.1436	62,800	9
APC-ACE	\$5.7500	\$4.2000	\$5.1894	-0.3500	404,400	52
Chicago Citygates	\$5.9000	\$3.7000	\$4.5069	-0.0921	739,300	124
Consumers	\$5.3050	\$4.3000	\$5.0671	-0.5163	140,600	31
Demarc	\$4.7500	\$4.0500	\$4.1862	-0.1717	197,900	29
EGT-Flex	\$3.1500	\$3.1100	\$3.1347	-0.1100	148,100	24
EGT-North	\$3.1600	\$3.1500	\$3.1501	-0.0999	17,900	5
EGT-South	\$3.1600	\$3.1200	\$3.1431	-0.1094	30,800	5
Enable East Pool	\$3.0000	\$2.8500	\$2.9864	0.1188	5,500	2
Enable West Pool	\$2.8700	\$2.7250	\$2.8358	-0.2142	19,700	4
Lebanon	\$3.6000	\$3.1400	\$3.2613	-0.4536	134,200	21
Michcon	\$5.4400	\$4.3000	\$4.9912	-0.6221	490,400	87
NBPL-Vector	\$5.7000	\$4.1500	\$4.6803	-0.5506	143,000	26
NBPL-Ventura	\$5.7000	\$4.1000	\$4.9805	-0.0279	155,800	32
NBPL-Will County	\$5.8000	\$4.5000	\$5.2228	0.1809	85,800	15
NGPL-Amarillo	\$4.2000	\$3.2500	\$4.0258	0.2401	65,800	9
NGPL-MidAm	\$4.3000	\$4.3000	\$4.3000	-0.1375	5,000	2
NGPL-Midcont Pool	\$2.9400	\$2.8600	\$2.8870	-0.1559	274,000	47
NGPL-Nicor	\$4.2000	\$3.7000	\$4.0290	-0.1682	176,900	26
NGPL-Nipsco	\$5.9000	\$4.3500	\$4.9551	-0.1186	152,400	27
NGPL-TXOK	\$3.0000	\$2.9250	\$2.9572	-0.1388	712,500	92
NNG-Ventura	\$5.7500	\$4.0000	\$5.0916	0.1485	129,400	28
OGT	\$2.8150	\$2.7550	\$2.7760	-0.2764	61,200	11
Panhandle	\$2.9850	\$2.8500	\$2.8767	-0.1742	81,400	22
PGLC	\$4.7500	\$3.9500	\$4.1783	-0.1423	248,300	41