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November 24, 2015

NOV 30 2015

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 January 1, 2016 based on the reporting period from July 1, 2015 through September 30, 2015. 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

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

NOV 30 2015
PUBLIC SERVICE
COMMISSION

Date Filed:

November 24, 2015

Date Rated to be Effective:

January 1, 2016

Reporting Period is Calendar Quarter Ended:

Sept 2015

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$3.4301
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.2356
Balance Adjustment (BA)	\$/Mcf	\$0.0126
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$3.6782

to be effective for service rendered from Jan 2016 through March 2016

A. EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$263,773
/Sales for the 12 months ended 09/15	\$/Mcf	76,900
Expected Gas Cost	\$/Mcf	\$3.4301

B. REFUND ADJUSTMENT CALCULATION

	<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

C. ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	(\$0.0429)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0508)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.3890
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0597)
=Actual Adjustment (AA)	\$ Mcf	\$0.2356

D. BALANCE ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0007
+Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.1606
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0087)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.1400)
=Balance Adjustment (BA)	\$ Mcf	\$0.0126

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			70,099	\$2.88	\$201,884
Citizens Gas Utility District			6,801	\$9.10	\$61,889

Totals			76,900		\$263,773
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Line loss for 12 months ended 9/30/2015 is based on purchases of 76,900
and sales of 76,900 Mcf. 0.00%

	Unit	Amount
Total Expected Cost of Purchases (6)		\$263,773
/ Mcf Purchases (4)		76,900
= Average Expected Cost Per Mcf Purchased		\$3.4301
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		76,900
= Total Expected Gas Cost (to Schedule IA)		\$263,773

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

Particulars	Unit	<u>Jul-15</u>	<u>Aug-15</u>	<u>Sep-15</u>
Total Supply Volumes Purchased	Mcf	2,078	1,898	1,942
Total Cost of Volumes Purchased	\$	\$7,958	\$7,269	\$7,437
/ Total Sales *	Mcf	2,078	1,898	1,942
= Unit Cost of Gas	\$/Mcf	\$3.8294	\$3.8298	\$3.8298
- EGC in Effect for Month	\$/Mcf	\$4.3875	\$4.3875	\$4.3875
= Difference	\$/Mcf	(\$0.5581)	(\$0.5577)	(\$0.5577)
x Actual Sales during Month	Mcf	2,078	1,898	1,942
= Monthly Cost Difference	\$	(\$1,160)	(\$1,059)	(\$1,083)
Total Cost Difference			\$	(\$3,301)
/ Sales for 12 months ended 09/30/15			Mcf	76,900
= Actual Adjustment for the Reporting Period (to Sch IC)				(\$0.0429)

* May not be less than 95% of supply volume

CITIPOWER, LLC

SCHEDULE V
BALANCE ADJUSTMENT

Case No. 2014-00319

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	76,900	\$0.0054	\$415	\$466

Under/(Over) Recovery	\$51
Mcf Sales for factor	76,900
BA Factor	\$0.0007

Citipower, 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
Oct-14	3,466	2.88	9,982			9,982	3,466	
Nov-14	8,665	2.88	24,955			24,955	8,665	
Dec-14	9,368	2.88	26,980	248		20,537	9,616	
Jan-15	13,649	2.88	39,309	1,301		107,736	14,950	
Feb-15	10,695	2.88	30,801	4,458		369,167	15,153	
Mar-15	7,609	2.88	21,913	787		65,171	8,396	
Apr-15	5,396	2.88	15,541	7		580	5,403	
May-15	3,254	2.88	9,372				3,254	
Jun-15	2,078	2.88	5,988				2,078	
Jul-15	2,078	2.88	5,984				2,078	
Aug-15	1,898	2.88	5,466				1,898	
Sep-15	1,942	2.88	5,593				1,942	
	70,089		201,884	6,801		61,889	76,900	



Citigas, LLC

November 24, 2015

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for January 2016 through March 2016 will be as calculated below:

Purchases From Forexco:

Richardson Barr NYMEX 12 Month Strip	\$ 2.40
Plus 20% BTU Factor	<u>\$.48</u>

Total	\$ 2.88
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Purchases From Citizens:

TGP-500L \$2.14 + \$5.00 + \$1.96 p/mcf	\$ 9.10
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Sincerely,

Daniel R Forsberg
President

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



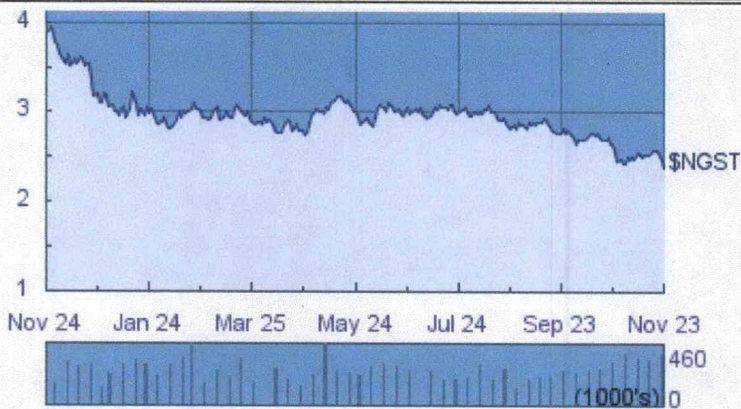
Look under "More Info" for further information. At least 20 min. delay.

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

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

Last Trade 9:04 a.m. - 2.40		Change ↓ 0.06 (↓ 2.44%)		Trades Today 1,908	Day's Volume 45,417	
Beta NA		Day's Range 2.39 - 2.44	Prev Close 2.46	Open 2.44	52 Wk Range 2.35 - 4.35	
EPS NA	PE NA	Div/Shr 0.00	Ex-Div NA	Yield NA%	Shares Out. NA	Market Cap. 0

• 1 Year Stock Performance:



TickerTech.com Nov 24, 2015

[1 Quarter](#) | [1 Year](#) | [5 Years](#) | Compare multiple stocks: \$NGST

Compare

[Back](#)

Parkway/Union	--	--	--	--	--
REX into ANR - Shelby	--	--	--	--	--
REX into MGT - Edgar	2.13-2.16	2.15	-0.06	37	10
REX into NGPL - Moultrie	2.12-2.20	2.18	-0.03	281	46
REX into PEPL - Putnam	2.15-2.20	2.18	-0.03	122	18
REX into Trunk - Douglas	2.17-2.18	2.17	-0.04	51	6
St. Clair	--	--	--	--	--
Midwest Regional Avg.	2.12-2.30	2.22	-0.06	2638	430
MIDCONTINENT					
ANR SW	2.08-2.11	2.10	-0.06	105	24
Enable East	2.05-2.07	2.06	-0.10	114	25
Enable West	--	--	--	--	--
NGPL Amarillo Mainline	2.13-2.16	2.15	-0.08	72	14
NGPL Midcontinent	2.09-2.15	2.11	-0.04	239	40
Northern Border Ventura	2.18-2.25	2.22	-0.06	280	46
Northern Natural Demarc	2.18-2.24	2.21	-0.08	196	38
Northern Natural Ventura	2.19-2.25	2.23	-0.04	209	30
OGT	2.00-2.07	2.04	-0.09	224	40
Panhandle Eastern	2.00-2.11	2.06	-0.11	147	34
Southern Star	2.00-2.07	2.04	-0.12	56	14
Midcontinent Regional Avg.	2.00-2.25	2.12	-0.07	1638	305
NORTH LOUISIANA/ARKANSAS					
Enable South	2.03-2.03	2.03	-0.10	4	3
Mississippi River Transmission	--	--	--	--	--
NGPL Gulf Coast Mainline	2.13-2.13	2.13	-0.04	20	2
Perryville	2.10-2.13	2.12	-0.03	70	6
Texas Eastern, M1, 24	--	--	--	--	--
Texas Gas Zone 1	2.11-2.16	2.12	-0.04	768	126
Trunkline Zone 1A	2.11-2.14	2.12	-0.04	212	46
N. LA Regional Avg.	2.03-2.16	2.10	-0.05	1073	183
SOUTH LOUISIANA					
ANR SE	2.11-2.15	2.13	-0.04	270	48
Columbia Gulf Mainline	2.08-2.13	2.11	-0.04	823	118
Columbia Gulf onshore	2.10-2.13	2.11	-0.04	200	38
Florida Gas Zone 2	--	--	--	--	--
Henry Hub	2.07-2.19	2.14	-0.02	532	58
Southern Natural	2.12-2.16	2.15	-0.04	639	108
Tennessee Line 500	2.13-2.15	2.14	-0.03	180	36
Tennessee Line 800	2.11-2.13	2.12	-0.03	593	98
Texas Eastern E. LA	2.09-2.12	2.11	-0.03	172	30
Texas Eastern W. LA	2.07-2.11	2.10	-0.03	158	36
Texas Gas Zone SL	2.11-2.12	2.12	-0.05	6	4
Transco Zone 3	2.12-2.16	2.15	-0.03	381	76
Trunkline E. LA	2.13-2.14	2.14	-0.01	10	4
Trunkline W. LA	--	--	--	--	--
S. LA Regional Avg.	2.07-2.19	2.13	-0.03	3960	654
ALABAMA/MISSISSIPPI					
Florida Gas Zone 3	2.14-2.17	2.15	-0.04	179	25
Texas Eastern M-1, 30	2.05-2.08	2.07	-0.05	30	10
Transco Zone 4	2.14-2.19	2.16	-0.04	1251	191
AL/MS Regional Avg.	2.05-2.19	2.13	-0.04	1459	226
FLORIDA					
FGT Citygate	--	--	--	--	--
ROCKY MOUNTAINS					
Cheyenne Hub	2.12-2.17	2.15	-0.02	331	54
CIG	2.11-2.20	2.16	0.01	25	6
CIG DJ Basin	2.13-2.17	2.15	0.03	24	6
El Paso Bondad	2.00-2.19	2.18	0.04	124	16
El Paso non-Bondad	2.15-2.20	2.19	0.04	203	30
Kern River	2.21-2.30	2.27	0.11	618	118
Kingsgate	2.12-2.18	2.15	0.05	272	34
Northwest S. of Green River	2.20-2.23	2.22	0.06	43	16
Northwest Sumas	--	--	--	--	--
Northwest Wyoming Pool	2.17-2.27	2.22	0.02	61	18
Opal	2.23-2.31	2.28	0.14	415	86
Questar	2.25-2.25	2.25	0.06	5	2
Stanfield	2.33-2.41	2.39	0.08	254	30
Transwestern San Juan	2.17-2.23	2.21	0.06	224	36
White River Hub	2.15-2.22	2.19	0.04	129	22
Rocky Mtns. Regional Avg.	2.00-2.41	2.21	0.04	2687	466
NORTHEAST					