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MAY 31 2017

Public Service
Commission

May 30, 2017

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 July 1, 2017 based on the reporting period from January 1, 2017 through March 31, 2017. 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,

A handwritten signature in black ink, appearing to read "Adam Forsberg", written over a horizontal line.

Adam Forsberg
Controller

CITIPOWER, LLC

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

RECEIVED

MAY 31 2017

Public Service
Commission

Date Filed:

May 30, 2017

Date Rated to be Effective:

June 1, 2017

Reporting Period is Calendar Quarter Ended:

March 2017

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$4.2492
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$0.1962)
Balance Adjustment (BA)	\$/Mcf	\$0.0588
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$4.1118

to be effective for service rendered from July 2017 through September 2017

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$247,247
/Sales for the 12 months ended 3/17	\$/Mcf	58,186
Expected Gas Cost	\$/Mcf	\$4.2492
<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	(\$0.0420)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0380)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0266)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0896)
=Actual Adjustment (AA)	\$ Mcf	(\$0.1962)
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	(\$0.0005)
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0074)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0175
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0492
=Balance Adjustment (BA)	\$ Mcf	\$0.0588

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			56,692	\$4.09	\$231,916
Citizens Gas Utility District			1,494	\$10.26	\$15,330
Totals			58,186		\$247,247
Line loss for 12 months ended		<u>3/31/2017</u> is based on purchases of		<u>58,186</u>	
and sales of		<u>58,186</u> Mcf.		0.00%	
				<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)					\$247,247
/ Mcf Purchases (4)					58,186
= Average Expected Cost Per Mcf Purchased					\$4.2492
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)					58,186
= Total Expected Gas Cost (to Schedule IA)					\$247,247

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

Particulars	Unit	Jan-17	Feb-17	Mar-17
Total Supply Volumes Purchased	Mcf	9,034	8,395	7,823
Total Cost of Volumes Purchased	\$	\$41,458	\$33,185	\$32,868
/ Total Sales *	Mcf	9,034	8,395	7,823
= Unit Cost of Gas	\$/Mcf	\$4.5892	\$3.9530	\$4.2014
- EGC in Effect for Month	\$/Mcf	\$4.3543	\$4.3543	\$4.3543
= Difference	\$/Mcf	\$0.2349	(\$0.4013)	(\$0.1529)
x Actual Sales during Month	Mcf	9,034	8,395	7,823
= Monthly Cost Difference	\$	\$2,122	(\$3,369)	(\$1,196)
Total Cost Difference			\$	(\$2,444)
/ Sales for 12 months ended 3/31/17			Mcf	58,186
= Actual Adjustment for the Reporting Period (to Sch IC)				(\$0.0420)

* May not be less than 95% of supply volume

2016-00102

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	58,186	(\$0.0020)	(\$116)	(\$147)

Under/(Over) Recovery	(\$31)
Mcf Sales for factor	58,186
BA Factor	(\$0.0005)

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

Month	Expected						Total Cost	Mcf (Sold)
	Mcf	Citigas		Citizens		Total		
		Cost p/mcf	Total	MCF	Cost p/mcf			
Apr-16	5,051	4.09	20,662	-	10.26	0	20,662	5,051
May-16	3,137	4.09	12,831	-	10.26	0	12,831	3,137
Jun-16	2,047	4.09	8,375	-	10.26	0	8,375	2,047
Jul-16	1,513	4.09	6,188	-	10.26	0	6,188	1,513
Aug-16	1,528	4.09	6,252	-	10.26	0	6,252	1,528
Sep-16	1,660	4.09	6,790	-	10.26	0	6,790	1,660
Oct-16	2,363	4.09	9,665	-	10.26	0	9,665	2,363
Nov-16	5,984	4.09	24,479	-	10.26	0	24,479	5,984
Dec-16	9,110	4.09	37,266	543	10.26	5,571	42,837	9,653
Jan-17	8,408	4.09	34,395	626	10.26	6,423	40,818	9,034
Feb-17	8,314	4.09	34,010	81	10.26	833	34,843	8,395
Mar-17	7,579	4.09	31,005	244	10.26	2,503	33,508	7,823
	56,692		231,916	1,494		15,330	247,247	58,186

12 month strip	3.41	TGP 500L*	3.05
20% Btu Factor	0.68	Citizens	5.00
Total Gas Price	4.09	Citigas	2.21
		Total Price	10.26



Citigas, LLC

May 30, 2017

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for July 2017 through September 2017 will be as calculated below:

Purchases From Forexco:

Richardson Barr NYMEX 12 Month Strip	\$ 3.41
Plus 20% BTU Factor	<u>\$ 0.68</u>

Total	\$ 4.09
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Purchases From Citizens:

TGP-500L \$3.05 + \$5.00 + \$2.21 p/mcf	\$ 10.26
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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 JUNE (NYMEX_NT: \$NGST) More Info: chart stock screen performance screen news						
Last Trade 10:29 a.m. - 3.410		Change ↑ 0.047 (↑ 1.40%)		Trades Today 9,767	Day's Volume 162,504	
Beta NA		Day's Range 3.382 - 3.416	Prev Close 3.363	Open 3.387	52 Wk Range 2.507 - 4.577	
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 May 22, 2017 1 Quarter 1 Year 5 Years Compare multiple stocks: <input type="text" value="\$NGST"/> <input type="button" value="Compare"/>						

[Back](#)

New price effective is 3.97
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

February 1, 2017

INVOICE

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

PROD MONTH: January-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$3.9700

MCFs 9,033.90 per Citipower reports
Net MCFs purchased from Forexco (626.00) Less gas purchased from Citizens
Amount Due 8,407.90
\$33,379.36

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Invoiced from Citizens Gas Utility District \$6,695.52

MCFs 626.00

Transportation @ .25/mcf \$156.50

Marketing fee @ \$1.96/mcf \$1,226.96

Total amount due for Citizens purchase \$8,078.98

Total due for month \$41,458.34

New price effective is 3.97
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

April 1, 2017

INVOICE

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

PROD MONTH: March-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$3.9700

MCFs 7,823.10 per Citipower reports
Net MCFs purchased from Forexco (244.00) Less gas purchased from Citizens
Amount Due 7,579.10
\$30,089.03

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Invoiced from Citizens Gas Utility District \$2,239.38

MCFs 244.00

Transportation @ .25/mcf \$61.00

Marketing fee @ \$1.96/mcf \$478.24

Total amount due for Citizens purchase \$2,778.62

Total due for month \$32,867.65

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Citizens Gas Utility District Of Scott and Morgan Counties

12519 Scott Highway • P.O. Box 320 • Helenwood, TN. 37755
Phone: (423) 569-4457 Fax: (423) 569-5303
www.citizensgas.org

Invoice

Date: FEBRUARY 9, 2017

Number: 0217-CitiGas

To: CitiGas, LLC.
2309 Cone Blvd.
Suite 200
Greensboro, NC. 27408

Due: FEBRYART 28, 2017

Quantity	Description	Unit Price	Amount
	January 2017 Deliveries		
	Isham Road Compressor: 754 DTH \$8.88		\$ 6,695.52
	(626 MCF * 1.205 BTU = 754 DTH)		
	(TGP - 500 Leg Index for January 2017 plus \$5.00)		
		TOTAL DUE	\$ 6,695.52



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Citizens Gas Utility District Of Scott and Morgan Counties

12519 Scott Highway • P.O. Box 320 • Helenwood, TN. 37755
Phone: (423) 569-4457 Fax: (423) 569-5303
www.citizensgas.org

Invoice

Date: MARCH 6, 2017

Number: 0317-CitiGas

To: CitiGas, LLC.
2309 Cone Blvd.
Suite 200
Greensboro, NC. 27408

Due: MARCH 31, 2017

Quantity	Description	Unit Price	Amount
	February 2017 Deliveries		
	Isham Road Compressor: 113 DTH \$8.31		\$ 939.03
	(94 MCF * 1.200 BTU = 113 DTH)		
	(TGP - 500 Leg Index for January 2017 plus \$5.00)		
		TOTAL DUE	\$ 939.03

Citizens Gas Utility District Of Scott and Morgan Counties

12519 Scott Highway • P.O. Box 320 • Helenwood, TN. 37755
 Phone: (423) 569-4457 Fax: (423) 569-5303
www.citizensgas.org

Invoice

Date: APRIL 3, 2017

Number: 0417-CitiGas

To: CitiGas, LLC.

Due: APRIL 30, 2017

2309 Cone Blvd.
 Suite 200
 Greensboro, NC. 27408

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Quantity	Description	Unit Price	Amount
	March 2017 Deliveries		
	Isham Road Compressor; 297 DTH \$ 7.54		\$ 2,239.38
	(244 MCF * 1.216 BTU = 297 DTH)		
	(TGP - 500 Leg Index for March 2017 plus \$5.00)		
		TOTAL DUE	\$ 2,239.38

		\$0.030	\$0.030					\$0.038	\$0.038			\$0.040	\$0.030
	NYMEX	PEPL	TGPL	Transco	NGPL	NGPL	Chicago	ANR	ANR	NNG	So. Star	CIG	EPNG
	Settle	TX OK	LA-500	Zone 5	Mid-Con	Texok	City Gate	LA	OK	Ventura	MidCon	Rocky	Permian
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	2.10	2.15	2.14
Jan-16	2.372	2.10	2.34	3.25	2.16	2.25	2.57	2.33	2.06	2.33	2.15	1.90	2.08
Feb-16	2.189	2.04	2.16	3.00	2.06	2.13	2.32	2.17	2.05	2.28	2.02	1.99	2.02
Mar-16	1.711	1.48	1.66	1.81	1.52	1.62	1.85	1.64	1.53	1.63	1.49	1.49	1.55
Apr-16	1.903	1.61	1.84	1.93	1.59	1.80	1.89	1.83	1.63	1.73	1.61	1.51	1.54
May-16	1.995	1.73	1.92	2.02	1.83	1.91	2.04	1.92	1.79	1.91	1.76	1.74	1.80
Jun-16	1.963	1.76	1.89	1.99	1.84	1.88	1.94	1.88	1.77	1.88	1.78	1.75	1.81
Jul-16	2.917	2.66	2.86	2.93	2.62	2.75	2.80	2.85	2.53	2.70	2.48	2.44	2.56
Aug-16	2.672	2.43	2.61	2.71	2.52	2.62	2.67	2.59	2.47	2.60	2.49	2.43	2.56
Sep-16	2.853	2.59	2.79	2.90	2.67	2.75	2.81	2.80	2.60	2.75	2.60	2.53	2.60
Oct-16	2.952	2.69	2.90	3.00	2.76	2.85	2.96	2.88	2.72	2.86	2.71	2.65	2.72
Nov-16	2.764	2.55	2.70	2.86	2.60	2.66	2.81	2.69	2.55	2.73	2.55	2.54	2.52
Dec-16	3.232	3.04	3.17	3.74	2.97	3.09	3.25	3.19	3.00	3.11	3.04	2.77	2.93
Jan-17	3.930	3.69	3.88	5.82	3.66	3.78	4.17	3.89	3.74	4.17	3.75	3.63	3.50
Feb-17	3.391	3.19	3.31	4.12	3.10	3.25	3.40	3.31	3.11	3.32	3.08	3.12	3.09
Mar-17	2.627	2.34	2.54	2.65	2.32	2.49	2.63	2.52	2.34	2.44	2.30	2.28	2.27
Apr-17	3.175	2.71	3.09	3.18	2.72	3.02	3.01	3.10	2.72	2.82	2.66	2.63	2.59
May-17	3.142	2.67	3.05	3.09	2.72	2.92	2.92	3.06	2.66	2.79	2.66	2.59	2.57