



June 7, 2017

Jeff Derouen
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602

RECEIVED

JUN 12 2017

Public Service
Commission

Re: Quarterly Report of Gas Cost Recovery Rate Calculation

Dear Mr. Derouen,

Attached please find one original and ten copies of the quarterly report of gas cost recovery rate calculation for the rates to be effective May 1, 2017. Please contact me at (714) 242 – 4064 or joey@navitasutility.com with questions or comments regarding this filing.

We now have over 12 months of usage with Keystone Foods Group as a customer so we no longer need to add in projected usage into the last 12 months of sales. However, their projected usage is still included in the balance adjustment sheet. I've reduced the projected usage down from 5,000 additional MCF per month to 3,000 additional MCF per month as the customer has bought into a long term propane contract and is now only using the contractually obligated 3,000 MCF per month.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph M Irwin Jr", written over a white background.

Joseph M Irwin Jr

Quarterly Report

Gas cost recovery rate calculation

Navitas KY NG, LLC

RECEIVED

Effective date JUN 12 2017
(& 1st forecast month)

Public Service
Commission



ORIGINAL

Period	Filing date (on or about)	Reporting Months	Effective date (& 1st forecast month)
	31-Mar	November December January	1-May
X	30-Jun	February March April	1-Aug
	30-Sep	May June July	1-Nov
	31-Dec	August September October	1-Feb

Schedule I
Gas Cost Recovery Rate Summary

Navitas KY NG, LLC

Component		
Expected Gas Cost (EGC)	6.4114	per MCF
+ Refund Adjustment (RA)	-	
+ Actual Adjustment (AA)	0.5064	
+ Balance Adjustment(BA)	(0.4149)	
= Gas Cost Recovery Rate	\$ 6.5029	

A. Expected Gas Cost Calculation

Total EGC	\$ 480,331.95	
/ Twelve months sales	74,918	MCF
EGC	\$ 6.4114	per MCF

B. Refund Adjustment Calculation

Refund Adjustment for reporting period	-
+ Previous quarter RA	-
+ Second previous quarter RA	-
+ Third previous quarter RA	-
+ Other cost adjustments	-
= Refund Adjustment	\$ -

C. Actual Adjustment Calculation

Actual Adjustment for reporting period	0.0040
+ Previous quarter AA	0.0208
+ Second previous quarter AA	0.0795
+ Third previous quarter AA	0.4021
+ Other cost adjustments	-
= Actual Adjustment	\$ 0.5064

D. Balance Adjustment Calculation

Balance Adjustment for reporting period	(0.0605)
+ Previous quarter BA	0.0204
+ Second previous quarter BA	0.0021
+ Third previous quarter BA	(0.3770)
= Balance Adjustment	\$ (0.4149)

Schedule II
Expected Gas Cost

Navitas KY NG, LLC

Supplier or NYMEX	Twelve months 2016 - 2017	Known prior year sales in MCF	MCF/MMBtu (from supplier)	Prior year purchases in MMBtu	Forecasted price per MMBtu	Converted price per MCF	Subtotal forecasted purchases
Petrol	August	4462	1.0660	4,756	3.70	3.94	17,599.02
Petrol	September	5505	1.0670	5,874	3.70	3.95	21,733.19
Petrol	October	5465	1.0680	5,837	3.70	3.95	21,595.49
Petrol	November	7363	1.0660	7,849	3.70	3.94	29,041.14
Petrol	December	8826	1.0640	9,391	3.70	3.94	34,746.20
Petrol	January	7634	1.0660	8,138	3.70	3.94	30,110.02
Petrol	February	6393	1.0670	6,821	3.70	3.95	25,238.92
Petrol	March	7774	1.0710	8,326	3.70	3.96	30,806.03
Petrol	April	6650	1.0650	7,082	3.70	3.94	26,204.33
Petrol	May	5474	1.0660	5,835	3.70	3.94	21,590.55
Petrol	June	4778	1.0630	5,079	3.70	3.93	18,792.35
Petrol	July	4594	1.0650	4,893	3.70	3.94	18,102.66
		<u>74,918</u>		<u>79,881</u>			<u>295,559.91</u>

Transportation	Twelve months 2016 - 2017	Spectra (East TN) demand	B&W pipeline	Subtotal forecasted	Total forecasted cost
	August	1,500.00	13,897.67	15,397.67	32,996.69
	September	1,500.00	13,897.67	15,397.67	37,130.86
	October	1,500.00	13,897.67	15,397.67	36,993.16
	November	1,500.00	13,897.67	15,397.67	44,438.81
	December	1,500.00	13,897.67	15,397.67	50,143.87
	January	1,500.00	13,897.67	15,397.67	45,507.69
	February	1,500.00	13,897.67	15,397.67	40,636.59
	March	1,500.00	13,897.67	15,397.67	46,203.70
	April	1,500.00	13,897.67	15,397.67	41,602.00
	May	1,500.00	13,897.67	15,397.67	36,988.22
	June	1,500.00	13,897.67	15,397.67	34,190.02
	July	1,500.00	13,897.67	15,397.67	33,500.33
				<u>184,772.04</u>	<u>480,331.95</u>

	divide by sales	74,918
	per MCF	\$ 6.4114
	multiply by allowed purchases (sales / 1)	74,918
	Expected Gas Cost	\$ 480,331.95

Schedule IV
Actual Adjustment

Navitas KY NG, LLC

	Second previous quarter			Previous quarter			Current quarter		
	Aug-16	Actual Sep-16	Oct-16	Nov-16	Actual Dec-16	Jan-17	Feb-17	Actual Mar-17	Apr-17
	Invoices								
Supply									
Petrol & FWM (B&W)	19,773.49	19,799.09	11,930.54	30,371.57	38,243.92	43,130.73	30,711.44	35,746.46	27,964.24
Transportation									
Spectra	1,617.58	1,618.17	1,613.02	1,563.39	1,319.39	1,383.15	1,349.21	1,446.21	1,561.07
B&W	13,431.98	13,438.96	13,396.38	12,993.28	10,970.47	11,490.95	11,228.08	12,024.94	12,987.20
Total cost	34,823.05	34,856.22	26,939.94	44,928.24	50,533.79	56,004.83	43,288.73	49,217.61	42,512.51
Sales in MCF	4,462	5,505	5,465	7,363	8,826	7,634	6,393	7,774	6,650
Cost per MCF	7.8044	6.3317	4.9295	6.1019	5.7256	7.3362	6.7713	6.3311	6.3929
less ECG in effect	5.8267	5.8267	5.8267	6.2870	6.2870	6.2870	6.4717	6.4717	6.4717
Delta	1.98	0.51	(0.90)	(0.19)	(0.56)	1.05	0.30	(0.14)	(0.08)
Monthly cost difference	8,824.31	2,780.23	(4,902.98)	(1,362.94)	(4,955.27)	8,009.87	1,915.15	(1,093.38)	(524.30)
Total cost difference			6,701.57			1,691.66			297.47
divide by 12 months sales			84,300			81,344			74,918
Actual Adjustment		Actual Adjustment	0.0795		Actual Adjustment	0.0208		Actual Adjustment	0.0040
Allocation									
Total B&W line sales	4,617	5,693	5,670	7,876	11,181	9,233	7,913	8,985	7,116
KY%	97%	97%	96%	93%	79%	83%	81%	87%	93%
Petrol									
Cost	20,459.05	2,261.16	12,376.98	11,531.92	35,125.20	36,734.36	25,361.10	22,991.43	10,951.88
Allocation	19,773.49	2,186.53	11,930.54	10,781.48	27,726.95	30,372.92	20,489.51	19,893.30	10,234.40
Spectra									
250	1,673.66	1,673.40	1,673.38	1,672.21	1,671.44	1,672.84	1,670.00	1,671.44	1,670.51
Allocation	1,617.58	1,618.17	1,613.02	1,563.39	1,319.39	1,383.15	1,349.21	1,446.21	1,561.07
B&W Transport									
Cost	13,897.67	13,897.67	13,897.67	13,897.67	13,897.67	13,897.67	13,897.67	13,897.67	13,897.67
Allocation	13,431.98	13,438.96	13,396.38	12,993.28	10,970.47	11,490.95	11,228.08	12,024.94	12,987.20
FWM Supply									
Cost	-	18,213.72	-	20,953.66	13,323.17	15,429.87	12,652.29	18,322.08	18,972.80
Allocation	-	17,612.56	-	19,590.10	10,516.98	12,757.81	10,221.92	15,853.16	17,729.84

Schedule V
Balance Adjustment

	(25,679.03)	(23,193.45)	(8,352.04)	(8,550.20)	(6,558.53)	(1,327.14)	(1,532.76)	(1,333.27)	(415.42)	110.09	(329.11)	(1,774.31)				
+ under charged																
- over charged																
	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	->Actual Apr-17	Average->			ESTIMATED WITH NEW CUSTOMER			Nov-17	Dec-17	Jan-18	
Sales in MCF	7,363	8,826	7,634	6,393	7,774	6,650	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	6,705	7,730	9,616	
Summary																
3rd Previous Qtr BA	0.0620	0.0620	0.0620	0.0164	0.0164	0.0164	(0.0499)	(0.0499)	(0.0499)	(0.3770)	(0.3770)	(0.3770)				
2rd Previous Qtr BA	0.0164	0.0164	0.0164	(0.0499)	(0.0499)	(0.0499)	(0.3770)	(0.3770)	(0.3770)	0.0021	0.0021	0.0021				
Previous Qtr BA	(0.0499)	(0.0499)	(0.0499)	(0.3770)	(0.3770)	(0.3770)	0.0021	0.0021	0.0021	0.0204	0.0204	0.0204				
Current Qtr BA	(0.3770)	(0.3770)	(0.3770)	0.0021	0.0021	0.0021	0.0204	0.0204	0.0204	(0.0605)	(0.0605)	(0.0605)				
	(0.3485)	(0.3485)	(0.3485)	(0.4084)	(0.4084)	(0.4084)	(0.4043)	(0.4043)	(0.4043)	(0.4149)	(0.4149)	(0.4149)				
3rd Previous Qtr AA	(0.0058)	(0.0058)	(0.0058)	(0.1901)	(0.1901)	(0.1901)	(0.1394)	(0.1394)	(0.1394)	0.4021	0.4021	0.4021				
2rd Previous Qtr AA	(0.1901)	(0.1901)	(0.1901)	(0.1394)	(0.1394)	(0.1394)	0.4021	0.4021	0.4021	0.0795	0.0795	0.0795				
Previous Qtr AA	(0.1394)	(0.1394)	(0.1394)	0.4021	0.4021	0.4021	0.0795	0.0795	0.0795	0.0208	0.0208	0.0208				
Current Qtr AA	0.4021	0.4021	0.4021	0.0795	0.0795	0.0795	0.0208	0.0208	0.0208	0.0040	0.0040	0.0040				
	0.0668	0.0668	0.0668	0.1522	0.1522	0.1522	0.3630	0.3630	0.3630	0.5064	0.5064	0.5064				
Third previous qtr BA AA	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)	(0.3770)				
	(30,215.41)	(26,888.30)	(24,010.54)	(21,600.59)	(18,670.05)	(16,163.21)	(14,138.46)	(12,315.75)	(10,550.87)	(8,816.38)	(7,906.14)	(4,949.95)				
Second previous qtr BA AA				0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021
	(5,811.59)	(5,811.59)	178.37	164.84	148.40	134.32	122.96	112.73	102.82	93.09	82.93	71.38	57.20	40.84	20.49	
			0.0021													
Previous qtr BA AA	(0.0058)	(0.0058)	(0.0058)				0.0204	0.0204	0.0204	0.0204	0.0204	0.0204	0.0204	0.0204	0.0204	0.0204
	(268.58)	(217.12)	(172.61)	(172.61)	(172.61)	1,663.42	1,553.59	1,454.71	1,358.97	1,264.88	1,166.68	1,055.14	918.03	759.95	563.31	
						0.0204										
Balance adjustment BA	(0.1901)	(0.1901)	(0.1901)	(0.1901)	(0.1901)	(0.1901)				(0.0605)	(0.0605)	(0.0605)	(0.0605)	(0.0605)	(0.0605)	(0.0605)
	(12,045.72)	(10,368.24)	(8,917.31)	(7,702.24)	(6,224.71)	(4,960.80)	(4,960.80)	(4,960.80)	(4,533.58)	(4,255.14)	(3,964.55)	(3,634.47)	(3,228.73)	(2,760.94)	(2,179.05)	
									(0.0605)							
	(0.1394)	(0.1394)	(0.1394)	(0.1394)	(0.1394)	(0.1394)	(0.1394)	(0.1394)	(0.1394)	(2,643.71)	(2,643.71)	(3,590.04)	(0.0479)	(0.0479)	(0.0479)	(0.0479)
	(9,914.03)	(8,683.94)	(7,619.98)	(6,728.98)	(5,645.51)	(4,718.69)	(3,970.11)	(3,296.22)	(2,643.71)			(0.0479)	(3,268.92)	(2,898.70)	(2,438.17)	
Third previous quarter AA	0.4021	0.4021	0.4021	0.4021	0.4021	0.4021	0.4021	0.4021	0.4021	0.4021	0.4021	0.4021	5,280.12	5,280.12	330.17	0.0044
	32,230.85	28,681.81	25,612.09	23,041.39	19,915.38	17,241.34	15,081.53	13,137.23	11,254.64	9,404.46	7,473.46	5,280.12				
Second previous quarter AA				0.0795	0.0795	0.0795	0.0795	0.0795	0.0795	0.0795	0.0795	0.0795	0.0795	0.0795	0.0795	0.0795
			6,701.57	6,193.34	5,575.34	5,046.69	4,619.70	4,235.31	3,863.13	3,497.35	3,115.60	2,681.98	2,148.95	1,534.43	770.00	
Previous quarter AA							0.0208	0.0208	0.0208	0.0208	0.0208	0.0208	0.0208	0.0208	0.0208	0.0208
							1,691.66	1,579.96	1,479.40	1,382.04	1,286.35	1,186.48	1,073.05	933.61	772.85	572.88
Actual adjustment AA										0.0040	0.0040	0.0040	0.0040	0.0040	0.0040	0.0040
									297.47	279.20	260.14	238.48	211.85	181.16	142.98	

Sales History

Navitas KY NG, LLC

Sales in MCF	J	F	M	A	M	J	J	A	S	O	N	D	Total
2007	3,187	5,015	1,657	1,472	961	784	327	400	379	859	1,941	2,359	19,341
2008	6,960	4,115	3,761	1,428	1,408	637	786	683	851	1,129	3,712	3,441	28,911
2009	5,621	4,445	3,436	1,575	952	680	726	669	749	1,336	1,726	5,564	27,479
2010	5,820	6,407	4,116	1,569	999	1,082	771	644	1,097	1,384	1,726	5,564	31,179
2011	5,820	6,407	2,727	1,673	1,301	1,129	739	877	810	1,253	2,602	3,335	28,674
2012	5,134	3,661	1,929	1,177	1,253	880	1,046	1,227	1,049	1,813	3,673	2,854	25,694
2013	6,073	4,304	5,380	2,531	1,603	911	810	1,047	1,051	1,618	2,334	3,906	31,568
2014	6,465	5,710	3,962	2,176	1,037	999	957	854	969	1,749	3,252	4,410	32,540
2015	9,046	11,867	13,351	9,115	8,724	6,472	6,062	5,148	5,562	7,939	8,721	7,043	99,050
2016	11,015	10,109	9,340	7,794	5,474	4,778	4,594	4,462	5,505	5,465	7,363	8,826	84,725
2017	7,634	6,393	7,774	6,650									28,451
Average	6,616	6,221	5,221	3,378	2,371	1,835	1,682	1,601	1,802	2,455	3,705	4,730	41,618