

RECEIVED

August 31, 2017

AUG 31 2017

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 October 1, 2017 based on the reporting period from April 1, 2017 through June 30, 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,



Adam Forsberg
Controller

CITIPower, LLC

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

RECEIVED

AUG 31 2017

PUBLIC SERVICE
COMMISSION

Date Filed:

August 31, 2017

Date Rated to be Effective:

October 1, 2017

Reporting Period is Calendar Quarter Ended:

June 2017

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$3.8464
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$1.2675
Balance Adjustment (BA)	\$/Mcf	\$0.0066
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$5.1205

to be effective for service rendered from October 2017 through December 2017

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$211,533
/Sales for the 12 months ended 6/17	\$/Mcf	54,996
Expected Gas Cost	\$/Mcf	\$3.8464
<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	\$1.3741
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0420)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0380)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0266)
=Actual Adjustment (AA)	\$ Mcf	\$1.2675
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0287
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0322)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0074)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0175
=Balance Adjustment (BA)	\$ Mcf	\$0.0066

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			53,501	\$3.67	\$196,457
Citizens Gas Utility District			1,494	\$10.09	\$15,076

Totals			54,996		\$211,533
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Line loss for 12 months ended 6/30/2017 is based on purchases of 54,996
and sales of 54,996 Mcf. 0.00%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$211,533
/ Mcf Purchases (4)		54,996
= Average Expected Cost Per Mcf Purchased		\$3.8464
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		54,996
= Total Expected Gas Cost (to Schedule IA)		\$211,533

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

<u>Particulars</u>	<u>Unit</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>
Total Supply Volumes Purchased	Mcf	2,940	2,102	2,002
Total Cost of Volumes Purchased	\$	\$41,458	\$33,185	\$32,868
/ Total Sales *	Mcf	2,940	2,102	2,002
= Unit Cost of Gas	\$/Mcf	\$14.1010	\$15.7895	\$16.4182
- EGC in Effect for Month	\$/Mcf	\$4.5347	\$4.5347	\$4.5347
= Difference	\$/Mcf	\$9.5663	\$11.2548	\$11.8835
x Actual Sales during Month	Mcf	2,940	2,102	2,002
= Monthly Cost Difference	\$	\$28,126	\$23,654	\$23,790
Total Cost Difference			\$	\$75,570
/ Sales for 12 months ended 6/30/17			Mcf	54,996
= Actual Adjustment for the Reporting Period (to Sch IC)				\$1.3741

* May not be less than 95% of supply volume

2016-00190

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	54,996	\$0.1264	\$6,951	\$8,533

Under/(Over) Recovery	\$1,581
Mcf Sales for factor	54,996
BA Factor	\$0.0287

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

Month	Expected						Total Cost	Mcf (Sold)
	Mcf	Citigas		Citizens				
		Cost p/mcf	Total	MCF	Cost p/mcf	Total		
Jul-16	1,513	3.67	5,555	-	10.09	0	5,555	1,513
Aug-16	1,528	3.67	5,612	-	10.09	0	5,612	1,528
Sep-16	1,660	3.67	6,095	-	10.09	0	6,095	1,660
Oct-16	2,363	3.67	8,676	-	10.09	0	8,676	2,363
Nov-16	5,984	3.67	21,973	-	10.09	0	21,973	5,984
Dec-16	9,110	3.67	33,450	543	10.09	5,479	38,929	9,653
Jan-17	8,408	3.67	30,874	626	10.09	6,316	37,190	9,034
Feb-17	8,314	3.67	30,528	81	10.09	819	31,347	8,395
Mar-17	7,579	3.67	27,830	244	10.09	2,462	30,292	7,823
Apr-17	2,940	3.67	10,796		10.09	0	10,796	2,940
May-17	2,102	3.67	7,717		10.09	0	7,717	2,102
Jun-17	2,002	3.67	7,351		10.09	0	7,351	2,002
	53,501		196,457	1,494		15,076	211,533	54,996

12 month strip	3.06	TGP 500L*	2.88
20% Btu Factor	0.61	Citizens	5.00
Total Gas Price	3.67	Citigas	2.21
		Total Price	10.09



Citigas, LLC

August 31, 2017

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for October 2017 through December 2017 will be as calculated below:

Purchases From Forexco:	
Richardson Barr NYMEX 12 Month Strip	\$ 3.06
Plus 20% BTU Factor	<u>\$ 0.61</u>
 Total	 \$ 3.67
 Purchases From Citizens:	
TGP-500L \$2.88 + \$5.00 + \$2.21 p/mcf	\$ 10.09

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 SEPTEMBER (NYMEX_NT: \$NGST) More Info: chart stock screen performance screen news						
Last Trade 1:09 p.m. - 3.057		Change ▲ 0.052 (▲ 1.73%)		Trades Today 25,255	Day's Volume 286,316	
Beta NA		Day's Range 2.988 - 3.059	Prev Close 3.005	Open 3.012	52 Wk Range 2.523 - 4.617	
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 Aug 21, 2017</p> <p>1 Quarter 1 Year 5 Years Compare multiple stocks: <input type="text" value="\$NGST"/> <input type="button" value="Compare"/></p>						

[Back](#)

New price effective is \$4.08
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

May 1, 2017

INVOICE

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

PROD MONTH: April-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$4.0800

MCFs	2,940.10	per Citipower reports
	0.00	Less gas purchased from Citizens
Net MCFs purchased from Forexco	2,940.10	
Amount Due	\$11,995.61	

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Invoiced from Citizens Gas Utility District \$0.00

MCFs 0.00

Transportation @ .25/mcf \$0.00

Marketing fee @ \$1.96/mcf \$0.00

Total amount due for Citizens purchase \$0.00

Total due for month \$11,995.61

New price effective is \$4.08
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

June 1, 2017

INVOICE

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

PROD MONTH: May-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$4.0800

MCFs	2,101.70	per Citipower reports
Net MCFs purchased from Forexco	0.00	Less gas purchased from Citizens
Amount Due	2,101.70	
	\$8,574.94	

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Invoiced from Citizens Gas Utility District \$0.00

MCFs 0.00

Transportation @ .25/mcf \$0.00

Marketing fee @ \$1.96/mcf \$0.00

Total amount due for Citizens purchase \$0.00

Total due for month \$8,574.94

		\$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
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
Jun-17	3.236	2.82	3.15	3.17	2.91	3.08	3.09	3.15	2.88	2.94	2.84	2.76	2.79
Jul-17	3.067	2.68	2.97	3.02	2.71	2.90	2.88	2.96	2.73	2.76	2.66	2.58	2.66
Aug-17	2.969	2.57	2.88	3.01	2.66	2.81	2.83	2.88	2.63	2.73	2.58	2.57	2.55