

RECEIVED

NOV 30 2017

PUBLIC SERVICE
COMMISSION

November 27, 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 January 1, 2018 based on the reporting period from July 1, 2017 through September 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

APPENDIX B
Page 1

CITIPOWER, LLC

RECEIVED

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

NOV 30 2017

PUBLIC SERVICE
COMMISSION

Date Filed:

November 27, 2017

Date Rated to be Effective:

January 1, 2018

Reporting Period is Calendar Quarter Ended:

September 2017

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$3.8391
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$0.0834)
Balance Adjustment (BA)	\$/Mcf	(\$0.0857)
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$3.6700

to be effective for service rendered from January 2018 through March 2018

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$212,802
/Sales for the 12 months ended 9/17	\$/Mcf	55,431
Expected Gas Cost	\$/Mcf	\$3.8391
<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	\$0.0424
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0458)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0420)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0380)
=Actual Adjustment (AA)	\$ Mcf	(\$0.0834)
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0031
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0492)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0322)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0074)
=Balance Adjustment (BA)	\$ Mcf	(\$0.0857)

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			53,936	\$3.67	\$198,054
Citizens Gas Utility District			1,494	\$9.87	\$14,748

Totals			55,431		\$212,802
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Line loss for 12 months ended 9/30/2017 is based on purchases of 55,431
and sales of 55,431 Mcf. 0.00%

Total Expected Cost of Purchases (6)	<u>Unit</u>	<u>Amount</u>
/ Mcf Purchases (4)		\$212,802
= Average Expected Cost Per Mcf Purchased		55,431
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		\$3.8391
= Total Expected Gas Cost (to Schedule IA)		55,431
		\$212,802

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

<u>Particulars</u>	<u>Unit</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>
Total Supply Volumes Purchased	Mcf	1,643	1,596	1,897
Total Cost of Volumes Purchased	\$	\$6,722	\$6,526	\$7,758
/ Total Sales *	Mcf	1,643	1,596	1,897
= Unit Cost of Gas	\$/Mcf	\$4.0900	\$4.0900	\$4.0900
- EGC in Effect for Month	\$/Mcf	\$3.6326	\$3.6326	\$3.6326
= Difference	\$/Mcf	\$0.4574	\$0.4574	\$0.4574
x Actual Sales during Month	Mcf	1,643	1,596	1,897
= Monthly Cost Difference	\$	\$752	\$730	\$868
Total Cost Difference			\$	\$2,349
/ Sales for 12 months ended 9/30/17			Mcf	55,431
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.0424

* May not be less than 95% of supply volume

2016-00318

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	55,431	\$0.0150	\$831	\$1,005

Under/(Over) Recovery	\$174
Mcf Sales for factor	55,431
BA Factor	\$0.0031

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		
Oct-16	2,363	3.67	8,676	-	9.87	0	8,676	2,363
Nov-16	5,984	3.67	21,973	-	9.87	0	21,973	5,984
Dec-16	9,110	3.67	33,450	543	9.87	5,359	38,810	9,653
Jan-17	8,408	3.67	30,874	626	9.87	6,179	37,052	9,034
Feb-17	8,314	3.67	30,528	81	9.87	801	31,329	8,395
Mar-17	7,579	3.67	27,830	244	9.87	2,408	30,239	7,823
Apr-17	2,940	3.67	10,796		9.87	0	10,796	2,940
May-17	2,102	3.67	7,717		9.87	0	7,717	2,102
Jun-17	2,002	3.67	7,351		9.87	0	7,351	2,002
Jul-17	1,643	3.67	6,035		9.87	0	6,035	1,643
Aug-17	1,596	3.67	5,859		9.87	0	5,859	1,596
Sep-17	1,897	3.67	6,965		9.87	0	6,965	1,897
	53,936		198,054	1,494		14,748	212,802	55,431

12 month strip	3.06	TGP 500L*	2.66
20% Btu Factor	0.61	Citizens	5.00
Total Gas Price	3.67	Citigas	2.21
		Total Price	9.87



November 27, 2017

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for January 2018 through March 2018 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 \$2.66 + \$5.00 + \$2.21 p/mcf	\$ 9.87

Sincerely,

Daniel R Forsberg
President

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

New price effective is \$4.09
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

August 1, 2017

INVOICE

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

PROD MONTH: July-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$4.0900

MCFs	1,643.40	per Citipower reports
Net MCFs purchased from Forexco	0.00	Less gas purchased from Citizens
Amount Due	1,643.40	
	\$6,721.51	

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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 **\$6,721.51**

New price effective is \$4.09
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

October 1, 2017

INVOICE

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

PROD MONTH: September-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$4.0900

MCFs	1,896.80	<small>per Citipower reports</small>
	0.00	<small>Less gas purchased from Citizens</small>
Net MCFs purchased from Forexco	1,896.80	
Amount Due	\$7,757.91	

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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 \$7,757.91



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 11:34 a.m. - 3.060		Change ▲ 0.019 (▲ 0.62%)		Trades Today 18,539	Day's Volume 170,030	
Beta NA		Day's Range 3.026 - 3.065	Prev Close 3.041	Open 3.030	52 Wk Range 2.538 - 4.664	
EPS NA	PE NA	Div/Shr 0.00	Ex-Div NA	Yield NA%	Shares Out. NA	Market Cap. 0
• 1 Year Stock Performance:						
<p style="text-align: right;">\$NGST</p> <p style="text-align: right;">511 (1000's) 0</p> <p style="text-align: center;">TickerTech.com Nov 15, 2017</p> <p style="text-align: center;"> 1 Quarter 1 Year 5 Years Compare multiple stocks: <input type="text" value="\$NGST"/> <input type="button" value="Compare"/> </p>						

[Back](#)

		\$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	<i>TX OK</i>	<i>LA-500</i>	<i>Zone 5</i>	<i>Mid-Con</i>	<i>Texok</i>	<i>City Gate</i>	<i>LA</i>	<i>OK</i>	<i>Ventura</i>	<i>MidCon</i>	<i>Rocky</i>	<i>Permian</i>
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
Sep-17	2.961	2.56	2.89	2.98	2.65	2.81	2.79	2.87	2.63	2.74	2.54	2.56	2.57
Oct-17	2.974	2.50	2.88	2.99	2.62	2.80	2.82	2.84	2.58	2.69	2.51	2.48	2.40
Nov-17	2.752	2.37	2.66	2.82	2.50	2.60	2.83	2.62	2.41	2.71	2.37	2.53	2.40