

RECEIVED

JUN 01 2018

PUBLIC SERVICE
COMMISSION

May 29, 2018

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, 2018 based on the reporting period from January 1, 2018 through March 31, 2018. 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

JUN 01 2018

PUBLIC SERVICE
COMMISSION

Date Filed:

May 29, 2018

Date Rated to be Effective:

July 1, 2018

Reporting Period is Calendar Quarter Ended:

March 2018

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$4.1711
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.5408
Balance Adjustment (BA)	\$/Mcf	\$0.0113
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$4.7231

to be effective for service rendered from July 2018 through September 2018

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$274,602
/Sales for the 12 months ended 3/18	\$/Mcf	65,835
Expected Gas Cost	\$/Mcf	\$4.1711
<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	\$0.4692
+Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.1446
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0148)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0582)
=Actual Adjustment (AA)	\$ Mcf	\$0.5408
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	(\$0.0001)
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0016)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0267)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0397
=Balance Adjustment (BA)	\$ Mcf	\$0.0113

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			59,708	\$3.58	\$213,516
Citizens Gas Utility District			6,127	\$9.97	\$61,086
Totals			65,835		\$274,602
Line loss for 12 months ended <u>3/31/2018</u> is based on purchases of <u>65,835</u>					
and sales of <u>65,835</u> Mcf. 0.00%					
				<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)					\$274,602
/ Mcf Purchases (4)					65,835
= Average Expected Cost Per Mcf Purchased					\$4.1711
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)					65,835
= Total Expected Gas Cost (to Schedule IA)					\$274,602

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

<u>Particulars</u>	<u>Unit</u>	<u>Jan-18</u>	<u>Feb-18</u>	<u>Mar-18</u>
Total Supply Volumes Purchased	Mcf	14,169	12,010	8,877
Total Cost of Volumes Purchased	\$	\$75,316	\$52,490	\$37,664
/ Total Sales *	Mcf	14,169	12,010	8,877
= Unit Cost of Gas	\$/Mcf	\$5.3156	\$4.3705	\$4.2426
- EGC in Effect for Month	\$/Mcf	\$3.8390	\$3.8390	\$3.8390
= Difference	\$/Mcf	\$1.4766	\$0.5315	\$0.4036
x Actual Sales during Month	Mcf	14,169	12,010	8,877
= Monthly Cost Difference	\$	\$20,922	\$6,384	\$3,583
Total Cost Difference			\$	\$30,889
/ Sales for 12 months ended 3/31/18			Mcf	65,835
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.4692

* May not be less than 95% of supply volume

2017-00101

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	65,835	\$0.0264	\$1,738	\$1,729

Under/(Over) Recovery	(\$9)
Mcf Sales for factor	65,835
BA Factor	(\$0.0001)

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		
Apr-17	2,940	3.58	10,514		9.97	0	10,514	2,940
May-17	2,102	3.58	7,516		9.97	0	7,516	2,102
Jun-17	2,002	3.58	7,159		9.97	0	7,159	2,002
Jul-17	1,643	3.58	5,877		9.97	0	5,877	1,643
Aug-17	1,596	3.58	5,706		9.97	0	5,706	1,596
Sep-17	1,897	3.58	6,783		9.97	0	6,783	1,897
Oct-17	2,868	3.58	10,255		9.97	0	10,255	2,868
Nov-17	6,650	3.58	23,779	36	9.97	359	24,138	6,686
Dec-17	7,668	3.58	27,421	1,378	9.97	13,739	41,160	9,046
Jan-18	11,122	3.58	39,772	3,047	9.97	30,379	70,150	14,169
Feb-18	11,036	3.58	39,464	974	9.97	9,711	49,175	12,010
Mar-18	8,185	3.58	29,271	692	9.97	6,899	36,170	8,877
	59,708		213,516	6,127		61,086	274,602	65,835

12 month strip	2.98	TGP 500L*	2.76
20% Btu Factor	0.60	Citizens	5.00
Total Gas Price	3.58	Citigas	2.21
		Total Price	9.97



May 29, 2018

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for July 2018 through September 2018 will be as calculated below:

Purchases From Forexco:	
Richardson Barr NYMEX 12 Month Strip	\$ 2.98
Plus 20% BTU Factor	<u>\$ 0.60</u>
Total	\$ 3.58
Purchases From Citizens:	
TGP-500L \$2.76 + \$5.00 + \$2.21 p/mcf	\$ 9.97

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: \$NGST)						
More Info: chart stock screen performance screen news						
Last Trade 5/25 - 2.981		Change ↑ 0.012 (↑ 0.40%)		Trades Today 2,889	Day's Volume 86,020	
Beta NA		Day's Range 2.959 - 2.987	Prev Close 2.969	Open 2.961	52 Wk Range 2.676 - 3.067	
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 May 25, 2018</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 \$3.67
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

February 1, 2018

INVOICE

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

PROD MONTH: January-18

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$3.6700

MCFs	14,168.80	<small>per Citipower reports</small>
Net MCFs purchased from Forexco	(3,047.00)	<small>Less gas purchased from Citizens</small>
Amount Due	11,121.80	
	\$40,817.01	

XXXXXXXX XXXXXX XXXXXXXXXXXX XXXXXX XXXXXXX XXXXXXXXXXXXXXXXXXXX XXXXXXXX XXXXXXXXXXX

Invoiced from Citizens Gas Utility District	\$27,765.40
---	-------------

MCFs	3,047.00
------	----------

Transportation @ .25/mcf	\$761.75
--------------------------	----------

Marketing fee @ \$1.96/mcf	\$5,972.12
----------------------------	------------

Total amount due for Citizens purchase	\$34,499.27
--	--------------------

Total due for month	\$75,316.28
---------------------	--------------------

New price effective is \$3.67
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

March 1, 2018

INVOICE

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

PROD MONTH: February-18

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$3.6700

MCFs 12,009.90 per Citipower reports
Net MCFs purchased from Forexco 11,035.90 (974.00) Less gas purchased from Citizens
Amount Due \$40,501.75

XXXXXXXX XXXXXXXX XXXXXXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX

Invoiced from Citizens Gas Utility District \$9,835.55

MCFs 974.00

Transportation @ .25/mcf \$243.50

Marketing fee @ \$1.96/mcf \$1,909.04

Total amount due for Citizens purchase \$11,988.09

Total due for month \$52,489.84

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

RECEIVED
FEB 12 2018

Invoice

Date: FEBRUARY 6, 2018

Number: 0717-CitiGas

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

Due: FEBRUARY 28, 2018

Quantity	Description	Unit Price	Amount
	January 2018 Deliveries		
	Isham Road Compressor: 3,620 DTH \$ 7.67		\$ 27,765.40
	(3,047 MCF * 1.188 BTU = 3,620 DTH)		
	(TGP – 500 Leg Index for January 2018 plus \$5.00)		
		TOTAL DUE	\$ 27,765.40

Chk# 1136 (20,000.00)
 Chk# 1139 (7,765.40)

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

RECEIVED

MAR 12 2018

Invoice

Date: MARCH 5, 2018

Number: 0318-CitiGas

To: CitiGas, LLC.

Due: MARCH 31, 2018

2309 Cone Blvd.
 Suite 200
 Greensboro, NC. 27408

Quantity	Description	Unit Price	Amount
	February 2018 Deliveries		
	Isham Road Compressor: 1,145 DTH \$ 8.59		\$ 9,835.55
	(974 MCF * 1.176 BTU = 1,145 DTH)		
	(TGP – 500 Leg Index for February 2018 plus \$5.00)		
		TOTAL DUE	\$ 9,835.55

Citizens Gas Utility District Of Scott and Morgan Counties

RECEIVED
APR 10 2018

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

Invoice

Date: APRIL 5, 2018

Number: 0418-CitiGas

To: CitiGas, LLC.

Due: APRIL 30, 2018

2309 Cone Blvd.
Suite 200
Greensboro, NC. 27408

Quantity	Description	Unit Price	Amount
	March 2018 Deliveries		
	Isham Road Compressor: 805 DTH \$ 7.57		\$ 6,093.85
	(692 MCF * 1.164 BTU = 805 DTH)		
	(TGP - 500 Leg Index for March 2018 plus \$5.00)		
		TOTAL DUE	\$ 6,093.85

		\$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	Chicago
	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>	<i>NGI</i>
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	
Dec-17	3.074	2.67	3.01	3.67	2.74	2.90	3.10	2.99	2.74	3.08	2.64	2.66	2.44	
Jan-18	2.738	2.40	2.67	5.63	2.38	2.57	3.07	2.66	2.58	3.56	2.60	2.40	2.23	
Feb-18	3.631	2.81	3.59	9.98	2.98	3.34	4.22	3.53	2.85	4.90	2.89	2.73	2.64	
Mar-18	2.639	2.07	2.57	2.99	2.20	2.48	2.52	2.52	2.16	2.40	2.11	2.13	1.89	2.52
Apr-18	2.691	1.96	2.62	2.76	2.11	2.53	2.46	2.57	1.95	2.36	1.94	1.74	1.26	2.46
May-18	2.821	2.05	2.76	2.87	2.05	2.63	2.58	2.69	2.03	2.39	2.05	1.80	1.28	2.58