



January 2, 2019

RECEIVED

JAN 07 2019

PUBLIC SERVICE
COMMISSION

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

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 February 1, 2019. Please contact me at (714) 242 – 4064 or jirwin@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 Sr". The signature is fluid and cursive, with a large initial 'J' and 'I'.

Joseph M Irwin Sr

Quarterly Report
Gas cost recovery rate calculation

Navitas KY NG, LLC

RECEIVED

JAN 07 2019

PUBLIC SERVICE
COMMISSION

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

 ORIGINAL

Schedule I
Gas Cost Recovery Rate Summary

Navitas KY NG, LLC

Component	
Expected Gas Cost (EGC)	6.8250
+ Refund Adjustment (RA)	-
+ Actual Adjustment (AA)	(0.3588)
+ Balance Adjustment(BA)	(0.0710)
= Gas Cost Recovery Rate	\$ 6.3953
<hr/>	
A. Expected Gas Cost Calculation	
Total EGC	\$ 762,746.34
/ Twelve months sales	111,757
EGC	\$ 6.8250
<hr/>	
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	\$ -
<hr/>	
C. Actual Adjustment Calculation	
Actual Adjustment for reporting period	0.1263
+ Previous quarter AA	(0.0987)
+ Second previous quarter AA	(0.4419)
+ Third previous quarter AA	0.0554
+ Other cost adjustments	
= Actual Adjustment	\$ (0.3588)
<hr/>	
D. Balance Adjustment Calculation	
Balance Adjustment for reporting period	(0.0807)
+ Previous quarter BA	0.0178
+ Second previous quarter BA	(0.0077)
+ Third previous quarter BA	(0.0003)
= Balance Adjustment	\$ (0.0710)

 ORIGINAL

Schedule II
Expected Gas Cost

Navitas KY NG, LLC

Supplier or NYMEX	Twelve months 2017 - 2018	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	6855	1.0660	7,307	4.85	5.17	35,441.04
Petrol	September	6083	1.0670	6,490	4.85	5.17	31,478.19
Petrol	October	7301	1.0680	7,798	4.85	5.18	37,819.27
Petrol	November	10869	1.0660	11,586	4.85	5.17	56,193.82
Petrol	December	12716	1.0640	13,530	4.85	5.16	65,619.65
Petrol	January	12306	1.0660	13,118	4.85	5.17	63,623.25
Petrol	February	12391	1.0670	13,221	4.85	5.17	64,122.81
Petrol	March	13164	1.0710	14,099	4.85	5.19	68,378.42
Petrol	April	10761	1.0650	11,460	4.85	5.17	55,582.74
Petrol	May	6961	1.0660	7,420	4.85	5.17	35,989.07
Petrol	June	6678	1.0630	7,099	4.85	5.16	34,428.76
Petrol	July	5672	1.0650	6,041	4.85	5.17	29,297.30
		111,757		119,169			577,974.30

ORIGINAL

Transportation	Twelve months 2017 - 2018	Spectra (East TN) demand	B&W pipeline	Subtotal forecasted	Total forecasted cost
	August	1,500.00	13,897.67	15,397.67	50,838.71
	September	1,500.00	13,897.67	15,397.67	46,875.86
	October	1,500.00	13,897.67	15,397.67	53,216.94
	November	1,500.00	13,897.67	15,397.67	71,591.49
	December	1,500.00	13,897.67	15,397.67	81,017.32
	January	1,500.00	13,897.67	15,397.67	79,020.92
	February	1,500.00	13,897.67	15,397.67	79,520.48
	March	1,500.00	13,897.67	15,397.67	83,776.09
	April	1,500.00	13,897.67	15,397.67	70,980.41
	May	1,500.00	13,897.67	15,397.67	51,386.74
	June	1,500.00	13,897.67	15,397.67	49,826.43
	July	1,500.00	13,897.67	15,397.67	44,694.97
				184,772.04	762,746.34

divide by sales	111,757
per MCF	\$ 6.8250
multiply by allowed purchases (sales / 1)	111,757
Expected Gas Cost	\$ 762,746.34

Schedule IV
Actual Adjustment

Navitas KY NG, LLC

	Third previous quarter			Second previous quarter			Previous quarter			Current quarter			
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual		
	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	
Invoices													
Supply													
Petrol & FWM (B&W)	50,992.91	79,487.41	88,093.13	75,536.59	67,937.11	41,745.80	33,853.29	26,790.68	30,909.57	28,258.94	28,169.49	46,962.35	FORMULA
Transportation													
Spectra	1,536.74	1,445.66	1,253.04	1,452.88	1,440.54	1,536.12	1,604.35	1,822.36	1,614.43	1,595.76	1,607.03	1,624.57	FORMULA
B&W	12,769.35	11,989.98	10,396.13	12,076.50	11,978.27	12,756.55	13,267.01	13,403.71	13,349.07	13,257.70	13,357.26	13,467.70	FORMULA
Total cost	65,299.00	92,923.05	99,742.30	89,065.97	81,355.92	56,038.27	48,724.64	41,816.75	45,873.07	43,110.40	43,133.77	62,054.63	FORMULA
Sales in MCF	10,869	12,716	12,306	12,391	13,164	10,761	6,961	6,678	5,672	6,855	6,083	7,301	NEED DATA INPUT INTO SALES TAB
Cost per MCF	6.0078	7.3076	8.1052	7.1880	6.1802	5.2076	6.9997	6.2619	8.0676	6.2889	7.0911	8.4991	
less ECG in effect	7.0568	7.0568	7.0568	7.4535	7.4535	7.4535	7.5224	7.6224	7.6224	6.6455	6.6455	6.6455	
Delta	(1.05)	0.25	1.05	(0.27)	(1.27)	(2.25)	(0.62)	(1.36)	0.47	(0.36)	0.45	1.85	
Monthly cost difference	(11,401.36)	3,188.78	12,901.32	(3,290.35)	(16,761.95)	(24,168.10)	(4,334.88)	(9,085.63)	2,638.82	(2,444.50)	2,710.52	13,533.84	
Total cost difference			4,688.74			(44,220.40)			(10,781.70)			13,799.86	
divide by 12 months sales			84,578			100,077			109,244			109,244	
Actual Adjustment		Actual Adjustment	0.0554		Actual Adjustment	(0.4419)		Actual Adjustment	(0.0987)		Actual Adjustment	0.1263	
Allocation													
Total B&W line sales	11,829	14,739	16,451	14,260	15,273	11,724	7,292	6,924	5,905	7,186	6,329	7,534	FORMULA
KY%	52%	86%	75%	87%	86%	92%	95%	96%	96%	95%	96%	97%	FORMULA
Byrdstown/Fentress (TN)	9,604	20,232	41,448	18,686	21,094	9,626	3,309	2,461	2,331	3,309	2,461	2,331	
Cost													
Petrol	33,590.64	67,484.42	99,545.36	70,585.25	63,511.76	25,302.45	18,415.05	8,512.53	12,988.29	5,915.12	7,469.75	25,190.60	OK RLM 12/31
Allocation	30,863.50	58,221.06	74,464.78	61,335.65	54,740.19	23,224.90	17,579.39	8,209.97	12,475.59	5,642.74	7,179.29	24,411.25	FORMULA
Spectra (Enbridge) 250	1,672.53	1,675.67	1,076.08	1,671.98	1,671.37	1,673.53	1,690.61	1,682.15	1,680.78	1,672.79	1,672.05	1,676.44	OK RLM 12/31
Allocation	1,536.74	1,445.66	1,253.04	1,452.88	1,440.54	1,536.12	1,604.35	1,822.36	1,614.43	1,595.76	1,607.03	1,624.57	FORMULA
Cost													
B&W Transport	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	13,897.67	13,897.67	13,897.67	OK RLM 12/31
Allocation	12,769.35	11,989.98	10,396.13	12,076.50	11,978.27	12,756.55	13,267.01	13,403.71	13,349.07	13,257.70	13,357.26	13,467.70	FORMULA
FWM Supply	21,908.07	24,649.96	18,218.53	16,342.48	15,311.60	20,177.44	17,047.50	19,265.45	19,191.56	23,705.82	21,839.42	23,271.06	OK RLM 12/31
Cost	20,129.41	21,286.34	13,628.35	14,200.94	13,196.92	18,520.70	16,273.99	18,580.71	18,433.99	22,614.20	20,990.19	22,551.10	FORMULA
Allocation													

ORIGINAL

**Schedule V
Balance Adjustment**

Navitas KY NG, LLC

	5,448.34	3,423.59	(42,899.61)	(44,495.06)	(43,965.28)	(52,063.08)	(50,585.96)	(46,815.26)	(40,345.05)
+ under charged - over charged									
	May-18	Jun-18	Jul-18	Aug-18	Sep-18	->Actual Oct-18	Average-> Nov-18	Dec-18	Jan-18
Sales in MCF	6,961	6,678	5,672	5,362	5,897	6,753	10,082	9,528	10,000
Summary									
3rd Previous Qtr BA	(0.0605)	(0.0605)	(0.0605)	(0.0639)	(0.0639)	(0.0639)	0.0052	0.0052	0.0052
2nd Previous Qtr BA	(0.0639)	(0.0639)	(0.0639)	0.0052	0.0052	0.0052	(0.0003)	(0.0003)	(0.0003)
Previous Qtr BA	0.0052	0.0052	0.0052	(0.0003)	(0.0003)	(0.0003)	(0.0077)	(0.0077)	(0.0077)
Current Qtr BA	(0.0003)	(0.0003)	(0.0003)	(0.0077)	(0.0077)	(0.0077)	0.0178	0.0178	0.0178
	(0.1195)	(0.1195)	(0.1195)	(0.0667)	(0.0667)	(0.0667)	0.0150	0.0150	0.0150
3rd Previous Qtr AA	0.0040	0.0040	0.0040	0.2889	0.2889	0.2889	0.0744	0.0744	0.0744
2nd Previous Qtr AA	0.2889	0.2889	0.2889	0.0744	0.0744	0.0744	0.0554	0.0554	0.0554
Previous Qtr AA	0.0744	0.0744	0.0744	0.0554	0.0554	0.0554	(0.4419)	(0.4419)	(0.4419)
Current Qtr AA	0.0554	0.0554	0.0554	(0.4419)	(0.4419)	(0.4419)	(0.0987)	(0.0987)	(0.0987)
	0.4227	0.4227	0.4227	(0.0231)	(0.0231)	(0.0231)	(0.4107)	(0.4107)	(0.4107)
Third previous qtr BA AA	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)
	(20.82)	(19.03)	(17.51)	(16.07)	(14.49)	(12.68)	(9.97)	(7.42)	(4.73)
Second previous qtr BA AA	(389.58)	(389.58)	(372.88)	(0.0077)	(0.0077)	(0.0077)	(0.0077)	(0.0077)	(0.0077)
			(0.0077)	(731.25)	(685.73)	(633.59)	(555.75)	(482.19)	(404.98)
Previous qtr BA AA	0.0040	0.0040	0.0040	(136.30)	(136.30)	(1,361.30)	0.0178	0.0178	0.0178
	(87.26)	(113.77)	(138.30)			0.0178	1,761.77	1,592.48	1,414.81
Balance adjustment BA	0.2889	0.2889	0.2889	0.2889	0.2889	0.2889			
	(2,586.03)	(4,515.17)	(6,153.70)	(7,702.67)	(9,406.11)	(11,356.87)	(11,356.87)	(11,356.87)	(9,844.31)
									(0.0807)
	0.0744	0.0744	0.0744	0.0744	0.0744	0.0744	0.0744	0.0744	0.0744
	2,175.03	1,678.17	1,256.15	857.21	418.47	(83.96)	(834.10)	(1,543.04)	(2,287.09)
Third previous quarter AA	0.0554	0.0554	0.0554	0.0554	0.0554	0.0554	0.0554	0.0554	0.0554
	4,302.84	3,932.64	3,618.20	3,320.95	2,994.05	2,619.70	2,060.77	1,532.55	978.17
Second previous quarter AA				(0.4419)	(0.4419)	(0.4419)	(0.4419)	(0.4419)	(0.4419)
			(44,220.40)	(41,851.13)	(39,245.59)	(36,261.76)	(31,806.82)	(27,596.60)	(23,177.85)
Previous quarter AA						(10,781.70)	(0.0987)	(0.0987)	(0.0987)
							(9,786.65)	(8,846.27)	(7,859.30)
Actual adjustment AA									13,799.86

ORIGINAL

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	1,857	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	5,821	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	3,861	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	1,818	2,334	3,906	31,568
2014	6,465	5,710	3,862	2,176	1,037	999	957	854	969	1,749	3,252	4,410	32,540
2015	9,046	11,967	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	3,981	3,459	2,704	4,983	6,437	6,306	10,869	12,716	79,606
2018	12,306	12,391	13,164	10,761	6,961	6,678	5,672	6,855	6,083	7,301	13,376		101,548
Average	10,000	10,190	10,907	8,580	6,285	5,347	4,758	5,362	5,897	6,753	10,062	9,528	93,689

OK RLM 1. Data from Revenue Overview, KYNG TAB

ORIGINAL