

RECEIVED

MAR 0 1 2019

PUBLIC SERVICE COMMISSION

February 28, 2019

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 April 1, 2019 based on the reporting period from October 1, 2018 through December 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

APPENDIX B Page 1

CITIPOWER, LLC

RECEIVED

QUARTERLY REPORT OF GAS COST RECOVERY RATE CALCULATION

MAR **0 1 2019**

PUBLIC SERVICE COMMISSION

Date Filed:		
	February 28, 2019	
		
Dat Data Live Burner		
Date Rated to be Effective:		
	April 1, 2019	
•		
Reporting Period is Calendar Q	uarter Ended:	
	December 2018	

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

Component	Unit	Amount
Expected Gas Cost (EGC)	\$/Mcf	\$5.6716
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.1225
Balance Adjustment (BA)	\$/Mcf	\$0.0516
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$5.8458
to be effective for service rendered from April 2019 through June 2019		
A. EXPECTED GAS COST CALCULATION	Unit	Amount
Total Expected Gas Cost (Sch II)	\$/Mcf	\$416,035
/Sales for the 12 months ended 12/18	\$/Mcf	73,354
Expected Gas Cost	\$/Mcf	\$5.6716
B. REFUND ADJUSTMENT CALCULATION	Unit	Amount
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
C. ACTUAL ADJUSTMENT CALCULATION	Unit	Amount
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	(\$0.2569)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0532)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0366)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.4692
=Actual Adjustment (AA)	\$ Mcf	\$0.1225
D. BALANCE ADJUSTMENT CALCULATION	Unit	Amount
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0065
+Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0327
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0122
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0002
=Balance Adjustment (BA)	\$ Mcf	\$0.0516

CITIPOWER, LLC

SCHEDULE II

EXPECTED GAS COST

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Oupplier	בוום	CONVENSION ACTOR	IVICI	T\ate	
Greystone Citzens Gas Utility District			64,387 8,967	\$5.04 \$10.21	\$324,509 \$91,525
Totals			73,354		\$416,035
Totals			73,334		ψ+10,000
Line loss for 12 months ended and sales of		8 is based on purchase Mcf.	s of 0.00%	73,354	
Total Expected Cost of Purchas / Mcf Purchases (4)	es (6)			<u>Unit</u>	Amount \$416,035 73,354
= Average Expected Cost Per M	cf Purchase	ed		 -	\$5.6716
x Allowable Mcf Purchases (mu					73,354
= Total Expected Gas Cost (to S	Schedule IA)			\$416,035

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

		Oct-18	Nov-18	Dec-18
<u>Particulars</u>	Unit			
Total Supply Volumes Purchased	Mcf	3,498	7,784	9,788
Total Cost of Volumes Purchased	\$	\$12,206	\$27,167	\$39,095
/ Total Sales *	Mcf	3,498	7,784	9,788
= Unit Cost of Gas	\$/Mcf	\$3.4900	\$3.4900	\$3.9941
- EGC in Effect for Month	\$/Mcf	\$4.6184	\$4.6184	\$4.6184
= Difference	\$/Mcf	(\$1.1284)	(\$1.1284)	(\$0.6243)
x Actual Sales during Month	Mcf	3,498	7,784	9,788
= Monthly Cost Difference	\$	(\$3,947)	(\$8,784)	(\$6,111)
Total Cost Difference			\$	(\$18,841)
/ Sales for 12 months ended 12/31/18			Mcf	73,354
= Actual Adjustment for the Reporting Pe	eriod (to So	ch IC)	•	(\$0.2569)

^{*} May not be less than 95% of supply volume

APPENDIX B Page 6

CITIPOWER, LLC

SCHEDULE V BALANCE ADJUSTMENT

2017-00451

12 months

Effective Date	Mcf Sales	Factor	Refunded	Balance
Beginning Balance	73,354	(\$0.0266)	(\$1,951)	(\$1,474)

Under/(Over) Recovery \$477 Mcf Sales for factor 73,354 BA Factor \$0.0065

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

Expected

				xpected				
Month	Mcf	Greys	tone		Citizens		Total Cost	Mcf (Sold)
		Cost p/mcf	Total	MCF	Cost p/mcf	Total		
Jan-18	9,300	5.04	46,872	4,869	10.21	49,696	96,568	14,169
Feb-18	8,400	5.04	42,336	3,610	10.21	36,846	79,182	12,010
Mar-18	8,877	5.04	44,742	-	10.21	0	44,742	8,877
Apr-18	6,045	5.04	30,466	-	10.21	0	30,466	6,045
May-18	2,589	5.04	13,050	-	10.21	0	13,050	2,589
Jun-18	2,213	5.04	11,152	-	10.21	0	11,152	2,213
Jul-18	1,956	5.04	9,857	-	10.21	0	9,857	1,956
Aug-18	1,924	5.04	9,698	-	10.21	0	9,698	1,924
Sep-18	2,501	5.04	12,605	-	10.21	0	12,605	2,501
Oct-18	3,498	5.04	17,627	-	10.21	0	17,627	3,498
Nov-18	7,784	5.04	39,233	-	10.21	0	39,233	7,784
Dec-18	9,300	5.04	46,872	488	10.21	4,983	51,855	9,788
	64,387		324,509	8,967		91,525	416,035	73,354

NYMEX Settlement	2.95
Greystone	1.25
Citigas	0.84
Total Price	5.04

TGP 500L	3.00
Citizens	5.00
Citigas	2.21
Total Price	10.21

Citigas, LLC 2122 Enterprise Rd. Greensboro, NC 27408

November 1, 2018

INVOICE

Sold to:

Citipower, LLC PO Box 1309 Whitley City, KY 42653

PROD MONTH: October-18

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price

\$3.4900

MCFs

3,497.50 per Citipower reports
0.00 Less gas purchased from Citizens
3,497.50

Net MCFs purchased from Forexco

Amount Due

\$12,206.28

XXXXXXX XXXXXXXX XXXXXXXXXX

XXXXXXXX

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

\$12,206.28

Citigas, LLC 2122 Enterprise Rd. Greensboro, NC 27408

December 1, 2018

INVOICE

Sold to:

Citipower, LLC PO Box 1309

Whitley City, KY 42653

PROD MONTH:

November-18

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price

\$3.4900

MCFs

Net MCFs purchased from Forexco

Amount Due

7,784.30 per Citipower reports
0.00 Less gas purchased from Citizens
7,784.30

\$27,167.21

XXXXXXX XXXXXXXX XXXXXXXXXX

XXXXXXXX

Invoiced from Citizens Gas Utility District

\$0.00

Transportation @ .25/mcf

0.00 \$0.00

Marketing fee @ \$1.96/mcf

\$0.00

Total amount due for Citizens purchase

\$0.00

Total due for month

\$27,167.21

Citigas, LLC 2122 Enterprise Rd. Greensboro, NC 27408

January 1, 2019

INVOICE

Sold to:

Citipower, LLC PO Box 1309

Whitley City, KY 42653

PROD MONTH:

December-18

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price

\$3.4900

MCFs

9,788.20 per Citipower reports
(492.00) Less gas purchased from Citizens
9,296.20

Net MCFs purchased from Forexco

Amount Due XXXXXXX XXXXXXXX XXXXXXXXXX \$32,443.74

XXXXXXXX

Invoiced from Citizens Gas Utility District

\$5,563.83

492.00

Transportation @ .25/mcf

\$123.00

Marketing fee @ \$1.96/mcf

\$964.32

Total amount due for Citizens purchase

\$6,651.15

Total due for month

\$39,094.89



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

Invoice

Pate: JANUARY 3, 2018

Number: 0618-CitiGas

'o: CitiGas, LLC.

Due: JANUARY 31, 2018

2309 Cone Blvd. Suite 200

Greensboro, NC. 27408

Quantity	Description	Unit Price	Amount
	December 2018 Deliveries		
	Isham Road Compressor: 573 DTH \$ 9.71		\$ 5,563.83
	(492 MCF * 1.164 BTU = 573 DTH)		
	(TGP – 500 Leg Index for December 2018 plus \$5.00)		
		TOTAL DU	E \$ 5,563.83



February 25, 2019

Citipower, LLC 2309 W Cone Blvd, Ste 200 Greensboro, NC 27408

Re: Gas Cost

Your gas cost for April 2019 through June 2019 will be as calculated below:

Purchases From Greystone:

NYMEX \$2.95 + \$1.25 + \$0.84 p/mcf

\$ 5.04

Purchases From Citizens:

TGP-500L \$3.00 + \$5.00 + \$2.21 p/mcf

\$ 10.21

Sincerely,

Daniel R Forsberg

President

EXHIBIT A FOR IMMEDIATE DELIVERY

GREYSTONE, LLC

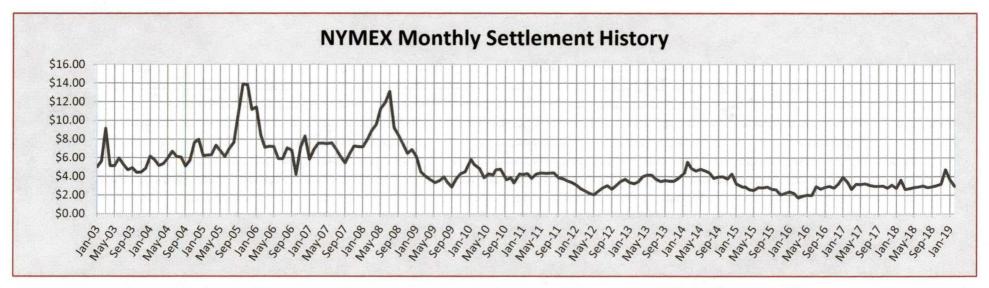
Date:

Date: February 8, 2019

Transaction Confirmation #020819CE This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated February 8, 2019. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract. SELLER: BUYER: Greystone, LLC Citigas, LLC 600 The Grange Lane 2309 Cone Blvd., Suite 200 Lexington, KY 40511 Greensboro, NC 27408 Attn: David Rudder Attn: Adam Forsberg Phone: (859) 321-1500 Phone: (336) 379-0800 Fax: Fax: Base Contract No. Base Contract No. Transporter: Transporter: Transporter Contract Number: Transporter Contract Number: Contract Price: 100% NYMEX Natural Gas Monthly Settlement Price plus \$1.25/Mcf for volumes demanded by Citipower, LLC that originate from sources other than Citizens Gas Utility Delivery Period: Begin: April 1, 2019 End: March 31, 2020 Performance Obligation and Contract Quantity: (Select One) Firm (Fixed Quantity): Firm (Variable Quantity): Interruptible: Mcf/day Mcf/day Minimum Up to 300 Mcf/day O EFP Mcf/day Maximum subject to Section 4.2. at election of ☐ Buyer or ☐ Seller Delivery Point(s): Citipower, LLC Distribution Lines - McCreary and Whitley Counties, KY (If a pooling point is used, list a specific geographic and pipeline location): Special Conditions: This Agreement can be terminated by either Party upon sixty (60) days written notice. Seller: GREYS Buyer: CITICAS

Date:





MO / YR	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
JAN	\$6.21	\$11.43	\$5.84	\$7.17	\$6.14	\$5.81	\$4.22	\$3.08	\$3.35	\$4.41	\$3.19	\$2.37	\$3.93	\$2.74	\$3.64
FEB	\$6.29	\$8.40	\$6.92	\$8.00	\$4.48	\$5.27	\$4.32	\$2.68	\$3.23	\$5.56	\$2.87	\$2.19	\$3.39	\$3.63	\$2.95
MAR	\$6.30	\$7.11	\$7.55	\$8.93	\$4.06	\$4.82	\$3.79	\$2.45	\$3.43	\$4.86	\$2.89	\$1.71	\$2.63	\$2.64	
APR	\$7.32	\$7.23	\$7.56	\$9.58	\$3.63	\$3.84	\$4.24	\$2.19	\$3.98	\$4.58	\$2.59	\$1.90	\$3.18	\$2.69	
MAY	\$6.75	\$7.20	\$7.51	\$11.28	\$3.32	\$4.27	\$4.38	\$2.04	\$4.15	\$4.80	\$2.52	\$2.00	\$3.14	\$2.82	
JUN	\$6.12	\$5.93	\$7.59	\$11.92	\$3.54	\$4.16	\$4.33	\$2.43	\$4.15	\$4.62	\$2.82	\$1.96	\$3.24	\$2.88	
JUL	\$6.98	\$5.89	\$6.93	\$13.11	\$3.95	\$4.72	\$4.36	\$2.77	\$3.71	\$4.40	\$2.77	\$2.92	\$3.07	\$3.00	
AUG	\$7.65	\$7.04	\$6.11	\$9.22	\$3.38	\$4.77	\$4.37	\$3.01	\$3.46	\$3.81	\$2.89	\$2.67	\$2.97	\$2.82	
SEP	\$10.85	\$6.82	\$5.43	\$8.39	\$2.84	\$3.65	\$3.86	\$2.63	\$3.57	\$3.96	\$2.64	\$2.85	\$2.96	\$2.90	
OCT	\$13.91	\$4.20	\$6.42	\$7.47	\$3.73	\$3.84	\$3.76	\$3.02	\$3.50	\$3.98	\$2.56	\$2.95	\$2.97	\$3.02	
NOV	\$13.83	\$7.15	\$7.27	\$6.47	\$4.29	\$3.29	\$3.52	\$3.47	\$3.50	\$3.73	\$2.03	\$2.76	\$2.75	\$3.19	
DEC	\$11.18	\$8.32	\$7.20	\$6.89	\$4.49	\$4.27	\$3.36	\$3.70	\$3.82	\$4.28	\$2.21	\$3.23	\$3.07	\$4.72	
AVG	\$8.62	\$7.23	\$6.86	\$9.04	\$3.99	\$4.39	\$4.04	\$2.79	\$3.65	\$4.41	\$2.66	\$2.46	\$3.11	\$3.09	\$3.30

^{*} Monthly settlement prices are rounded to the nearest tenth of a cent.

DAILY MIDPOINT AVERAGES, JANUARY

TENN 500 = \$ 2.997

ortheast			East Texas		
lgonquin, city-gates	IGBEE05	6.947	Carthage Hub	IGBAF06	2.922
gonquin, receipts	IGBDK86	4.780	Florida Gas, zone 1	IGBAW26	3.003
racut, Mass.	IGBDW86	10.058	Houston Ship Channel	IG8AP86	3.017
oquois, receipts	IGBCR06	4.018	Katy	IGBAQ06	3.003
oquois, zone 1	IGBRP06	4.993	NGPL, STX	IGBAZ06	2.981
oquois, zone 2	IGBEJ06	6.947	NGPL, Texok zone	IGBAL06	2.889
agara	IGBCS05	3.689	Tennessee, zone 0	IGB8A96	2.937
ennessee, zone 5 (200 leg)	IGBRQ06	5.407	Texas Eastern, ETX	IGBAN06	2.936
nnessee, zone 6 (300 leg) delivered	IGBJC06	NA	Texas Eastern, STX	IGBBBB66	2.977
ennessee, zone 6 delivered	IGBEI06	7.028	Transco, zone 1	IGBBC06	2.961
ennessee, Zone 6, delivered North	IGBRR06	7.610	Transco, zone 2	IGBBU96	2.969
ennessee, Zone 6, delivered South	IGBRS06	6.845	Louisiana/Southeast		
exas Eastern, M-3	IGBEK06	4.351	ANR, La.	IGBBF06	2,990
ansco, zone 5 del.	IGBEN05	4.241	Columbia Gulf, La.	IGBBG06	2.990
ansco, zone 5 del. North	IGCGL06	4.170	Columbia Gulf, mainline	IGBBH06	2.935
ransco, zone 5 del. South	IGCHLOG	4.255	Florida city-gates	IGBED06	3.295
ansco, zone 6 N.Y.	IGBEM06	6.016	Florida Gas, zone 2	IGBBJ06	3.027
ransco, zone 6 non-N.Y.	IGBEL06	4.158	Control of the contro	the same of the sa	3.030
ransco, zone 6 non-N.Y. North	IGBJS06	4.158	Florida Gas, zone 3 Henry Hub	IGBBL06	3.074
ansco, zone 6 non-N.Y. South	IGBJT06	NA	Southern Natural, La.	IGBB086	3.007
ppalachia		W.	Tennessee, 500 Leg	IGBBP06	2.997
olumbia Gas, App.	IGBDE06	2.878	Tennessee, 800 Leg	IGB8Q06	2.971
olumbia Gas, App. Non-IPP	IGBJU06	NA NA	Texas Eastern, ELA	IGB8506	2.977
ominion, North Point	IGBDB86	2.865	Texas Eastern, M-1 30-in.	IGBDIØS	2.929
ominion, South Point	IGBDC96	2.840	Texas Eastern, WLA	IGBBR06	2.989
ebanon Hub	IGBFJ06	3.012	Texas Gas, zone 1	IGBAC06	2.948
eidy Hub	IGBDD06	3.262	Texas Gas, zone SL	IGBBT05	3.015
illennium, East receipts	IGBIW06	2.944	Transco, zone 3	IGBBV06	3.007
ennessee, zone 4-200 leg	IGBIN06	2,910	Transco, zone 4	IGBD306	3.018
ennessee, zone 4-300 leg	IGBFL06	2.874	Trunkline, ELA	IGBBX06	2.971
ennessee, zone 4-313 Pool	IGCFL06	2.895	Trunkline, WLA	IGB8W06	2.979
exas Eastern, M-2 receipts	IGBJE06	2.813	Trunkline, zone 1A	IGBGF86	2.945
ransco, Leidy Line receipts	IGBI506	2.919	Tromand, Zone in	2400100	2,040
	200200	2.010	Rockies/Northwest		
lidcontinent			Cheyenne Hub	IGBC006	2.895
ANR, Okla.	IGBBY86	2.928	CIG, Rockies	IGBCK06	2.905
nable Gas, East	IGBCA86	2.960	GTN, Kingsgate	IGBCY86	3.389
IGPL, Amarillo receipt	IGBDR06	3.001	Kern River, Opal plant	IGBCL06	3.424
NGPL, Midcontinent	IGBBZ06	2.634	Northwest, Can. border (Sumas)	IGBC786	3.513
Oneok, Okla.	IGBCD06	2.610	Northwest, S. of Green River	IGBCQ06	2.957
anhandle, TxOkla.	IGBCE06	2.892	Northwest, Wyoming Pool	IGBCP06	3.425
Southern Star	IGBCF06	2.894	PG&E, Malin	IGBD006	3.461
x. Eastern, M-1 24-in.	IGBET06	3.016	Questar, Rocky Mountains	IGBCN06	3,140
Ipper Midwest			Stanfield, Ore.	ISBCH06	3.468
illiance, into interstates	IGBDP86	3.144	- TCPL Alberta, AECO-C*	IGBCU86	1.782
NR, ML7	IGBDQ86	3.193	Westcoast, station 2*	IGBCZ86	1.352
Chicago city-gates	IGBDX06	3.221	White River Hub	IGBGL06	2.970
Chicago-Nicor	IGBEXOG	3.229	Southwest		
Chicago-NIPSCO	IGBFX86	3.199	El Paso, Bondad	IGBCG86	2.907
Chicago-Peoples	IGBGX86	3.185	El Paso, Permian Basin	IGBA806	2.136
onsumers city-gate	IGBDYOS	3.014	El Paso, San Juan Basin	IGBCH05	2.927
lawn, Ontario	IGBCX06	3.060	El Paso, South Mainline	IGBFR86	3.303
merson, Viking GL	IGBCW05	3.076	Kern River, delivered	IGBES06	3.753
fich Con city-gate	IGBDZ06	2.984	PG&E city-gate	IGBEB06	3.685
orthern Bdr., Ventura TP	IGBGH06	3.266	PG&E, South	IGBDM06	2.998
lorthern, demarc	IGBDV06	3.025	SoCal Gas	IGBDL05	3.523
lorthern, Ventura	IGBDU06	3.279	SoCal Gas city-gate	IGBGG06	4.825
tor tribing rontard	The second secon	The second of the second of	The second secon	The second secon	2.186
	IGBR006	3.013	Transwestern Permian	IGBAE06	2-100
REX, zone 3 delivered East Texas	IGBR006	3.013	Transwestern, San Juan	IGBGK06	2.924