

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF CITIPOWER, L.L.C.)	2020-00048

ORDER

On February 20, 2020, Citipower, LLC (Citipower) filed its Gas Cost Recovery (GCR) rate report, for rates effective as of April 1, 2020.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Citipower's report proposes revised rates designed to pass on to its customers its expected change in gas costs.
2. Citipower's report sets out an Expected Gas Cost (EGC) of \$4.1495 per Mcf, which is a decrease of \$.8111 per Mcf from its prior EGC of \$4.9606 per Mcf. Citipower's average 12-month EGC is based in part on the expectation that it will need to buy gas at a higher-than-normal price from Citizens Gas Utility District (Citizens Gas) during periods of high usage in cold weather. Citizens Gas's volumes are priced using current price projections as of February 2020. The EGC is otherwise based on Citipower's expected cost of gas from its primary supplier, Citigas, LLC (Citigas), a Citipower affiliate pursuant to 278.010(18), using the New York Mercantile Exchange (NYMEX) Natural Gas 12-Month strip rate for February 2020.
3. Citipower's report sets out no Refund Adjustment.

4. Citipower's report sets out a current quarter Actual Cost Adjustment (ACA) of \$.0996 per Mcf. Citipower's total ACA is \$.1346 per Mcf, which is an increase of \$.1995 per Mcf from its previous total ACA of (\$.0649) per Mcf.

5. Citipower's report sets out a current quarter Balance Adjustment (BA) of (\$.0014) per Mcf. Due to a spreadsheet rounding error, Citipower erroneously set out an incorrect total BA of (\$.0408) per Mcf. Citipower's corrected total BA is (\$.0409) per Mcf, which is a decrease of \$.0115 per Mcf from its previous total BA of (\$.0294) per Mcf.

6. Citipower's GCR rate is \$4.2432 per Mcf, which is a decrease of \$.6231 per Mcf from the previous GCR rate of \$4.8663 per Mcf. Citipower's GCR rate required no correction due to a similar spreadsheet rounding error as occurred with the BA calculation in adding the separate components of the rate.

7. To aid in the Commission's review of Citipower's reports, Citipower should continue to submit all invoices it receives from Citigas and Citizens Gas when it files its GCR rate reports.

8. The rates set forth in the Appendix to this Order are fair, just, and reasonable and should be approved for service rendered by Citipower on and after April 1, 2020.

9. Should Citipower purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount must be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Citipower and set forth in the Appendix to this Order are approved for service rendered by Citipower on and after April 1, 2020.

2. Citipower shall submit all invoices received from Citigas and Citizens Gas as part of all future GCR filings.

3. Within 20 days of the date of entry of this Order, Citipower shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

4. This case is hereby closed and removed from the Commission's docket.

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By the Commission

ENTERED
MAR 17 2020
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2020-00048

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00048 DATED **MAR 17 2020**

The following rates and charges are prescribed for the customers served by Citipower, LLC. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

RESIDENTIAL

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
All Mcf	\$7.8500	\$4.2432	\$12.0932

COMMERCIAL AND INDUSTRIAL

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
All Mcf	\$ 7.9000	\$4.2432	\$12.1432

INSTITUTIONAL

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
All Mcf	\$ 8.4200	\$4.2432	\$13.6632

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