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PUBLIC SERVICE
COMMISSION

February 28, 2020

Mr. Jeff Derouen, Executive Director
Commonwealth of Kentucky
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

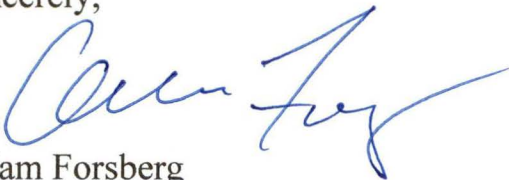
Re: Citipower L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation

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, 2020 based on the reporting period from October 1, 2019 through December 31, 2019. 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**

Date Filed:

February 28, 2020

Date Rated to be Effective:

April 1, 2020

Reporting Period is Calendar Quarter Ended:

December 2019

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$4.1495
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.1346
Balance Adjustment (BA)	\$/Mcf	(\$0.0408)
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$4.2432

to be effective for service rendered from April 2020 through June 2020

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$281,804
/Sales for the 12 months ended 12/19	\$/Mcf	67,913
Expected Gas Cost	\$/Mcf	\$4.1495
<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	\$0.0996
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0707)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.1220)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.2277
=Actual Adjustment (AA)	\$ Mcf	\$0.1346
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	(\$0.0014)
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0012)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0102)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0281)
=Balance Adjustment (BA)	\$ Mcf	(\$0.0408)

CITIPOWER, LLC

SCHEDULE II

EXPECTED GAS COST

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Greystone			62,827	\$3.76	\$235,979
Citizens Gas Utility District			5,086	\$9.01	\$45,825

Totals			67,913		\$281,804
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Line loss for 12 months ended 12/31/2019 is based on purchases of 67,913
and sales of 67,913 Mcf. 0.00%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$281,804
/ Mcf Purchases (4)		67,913
= Average Expected Cost Per Mcf Purchased		\$4.1495
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		67,913
= Total Expected Gas Cost (to Schedule IA)		\$281,804

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

<u>Particulars</u>	<u>Unit</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>
Total Supply Volumes Purchased	Mcf	3,300	8,523	10,771
Total Cost of Volumes Purchased	\$	\$14,561	\$40,154	\$52,522
/ Total Sales *	Mcf	3,300	8,523	10,771
= Unit Cost of Gas	\$/Mcf	\$4.4130	\$4.7114	\$4.8764
- EGC in Effect for Month	\$/Mcf	\$4.4472	\$4.4472	\$4.4472
= Difference	\$/Mcf	(\$0.0342)	\$0.2642	\$0.4292
x Actual Sales during Month	Mcf	3,300	8,523	10,771
= Monthly Cost Difference	\$	(\$113)	\$2,251	\$4,622
Total Cost Difference			\$	\$6,761
/ Sales for 12 months ended 12/31/19			Mcf	67,913
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.0996

* May not be less than 95% of supply volume

SCHEDULE V
BALANCE ADJUSTMENT

Appendix B
Page 6

For the 3 month period ended

December 31, 2019
Case No. 2018-00397

Line	Particulars	Unit	Amount
	Utility Gas Management		
1	(1) Total cost difference from actual adjustment used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	<u>(3,772)</u>
2	Less: Dollars amount resulting from the AA of <u>(0.0532)</u> \$/MCF as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of 67,913		
3	MCF during the 12 month period the AA was in effect.	\$	<u>(3,612.99)</u>
4	Equals: Balance Adjustment for the AA.	\$	<u>(158.76)</u>
5	(3) Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	<u>-</u>
6	Less: Dollar amount resulting from the RA of <u>-</u> \$/MCF as used to compute the OCR in effect four quarters prior to the effective GCR times the sales of 67,913 MCF		
7	during the 12 month period the RA was in effect.	\$	<u>-</u>
8	Equals: Balance Adjustment for the RA.	\$	<u>-</u>
9	(3) Total Balance Adjustment used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	<u>1,552</u>
10	Less: Dollar amount resulting from the BA of <u>0.0219</u> \$/MCF four quarters prior to the effective date of the currently effective GCR times the sales of 67,913 MCF during the 12 month		
11	period the BA was in effect.	\$	<u>1,487.30</u>
12	Equals: Balance Adjustment for the BA.	\$	<u>65.04</u>
13	Total Balance Adjustment Amount (1) + (2) + (3)	\$	<u>(93.72)</u>
14	Divided by Sales for 12 months ended 12/31/2019	\$	<u>67,913</u>
15	Equals: Balance Adjustment for the Rep V.P. of Operations	\$/MCF	<u>(0.0014)</u>

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

Month	Expected						Total Cost	Mcf (Sold)
	Mcf	Greystone		Citizens		Total		
		Cost p/mcf	Total	MCF	Cost p/mcf			
Jan-19	9,727	3.76	36,535	2,598	9.01	23,408	59,943	12,325
Feb-19	10,084	3.76	37,874	546	9.01	4,919	42,793	10,630
Mar-19	7,411	3.76	27,836	1,078	9.01	9,713	37,549	8,489
Apr-19	4,056	3.76	15,233	16	9.01	144	15,377	4,072
May-19	2,484	3.76	9,331	-	9.01	0	9,331	2,484
Jun-19	1,840	3.76	6,910	-	9.01	0	6,910	1,840
Jul-19	2,081	3.76	7,817	-	9.01	0	7,817	2,081
Aug-19	1,764	3.76	6,626	-	9.01	0	6,626	1,764
Sep-19	1,635	3.76	6,141	-	9.01	0	6,141	1,635
Oct-19	3,300	3.76	12,393	-	9.01	0	12,393	3,300
Nov-19	8,397	3.76	31,538	126	9.01	1,135	32,674	8,523
Dec-19	10,049	3.76	37,743	722	9.01	6,505	44,249	10,771
	62,827		235,979	5,086		45,825	281,804	67,913

NYMEX Settlement	1.88	TGP 500L	1.80
Greystone	1.25	Citizens	5.00
Citigas	0.63	Citigas	2.21
Total Price	3.76	Total Price	9.01

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

INVOICE

Date: November 1, 2019

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

SALES MONTH: October-19

Invoiced from Greystone, LLC	\$12,135.93
MCFs	3,299.60
Marketing fee @ \$0.735/mcf	\$2,425.21
Total amount due for Greystone purchase	\$14,561.14

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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 MCFs Sold 3,299.60 per Citipower reports

Total due for month **\$14,561.14**

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

INVOICE

Date: December 1, 2019

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

SALES MONTH: November-19

Invoiced from Greystone, LLC	\$32,302.49
MCFs	8,396.80
Marketing fee @ \$0.769/mcf	\$6,457.14
Total amount due for Greystone purchase	\$38,759.63

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Invoiced from Citizens Gas Utility District	\$1,115.92
MCFs	126.00
Transportation @ .25/mcf	\$31.50
Marketing fee @ \$1.96/mcf	\$246.96
Total amount due for Citizens purchase	\$1,394.38

Total MCFs Sold	8,522.80 per Citipower reports
Total due for month	\$40,154.01

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

INVOICE

Date: January 1, 2020

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

SALES MONTH: December-19

Invoiced from Greystone, LLC	\$37,381.54
MCFs	10,048.80
Marketing fee @ \$0.744/mcf	\$7,476.31
Total amount due for Greystone purchase	\$44,857.85

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Invoiced from Citizens Gas Utility District	\$6,068.79
MCFs	722.00
Transportation @ .25/mcf	\$180.50
Marketing fee @ \$1.96/mcf	\$1,415.12
Total amount due for Citizens purchase	\$7,664.41

Total MCFs Sold 10,770.80 per Citipower reports

Total due for month \$52,522.26

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
DEC 10 2019

Invoice

Date: DECEMBER 4, 2019

Number: 1119-CitiGas

To: CitiGas, LLC.

Due: DECEMBER 31, 2019

2309 Cone Blvd.
 Suite 200
 Greensboro, NC. 27408

Quantity	Description	Unit Price	Amount
	NOVEMBER 2019 DELIVERIES		
	Isham Road Compressor: 148 DTH \$ 7.54		\$ 1,115.92
	(126 MCF * 1.174 BTU = 148 DTH)		
	(TGP – 500 Leg Index for November 2019 plus \$5.00)		
		TOTAL DUE	\$ 1,115.92

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
JAN 14 2020

Invoice

Date: JANUARY 6 2020

Number: 1219-CitiGas

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

Due: JANUARY 31, 2020

Quantity	Description	Unit Price	Amount
	DECEMBER 2019 DELIVERIES		
	Isham Road Compressor: 819 DTH \$ 7.41		\$ 6,068.79
	(722 MCF * 1.135 BTU = 819 DTH)		
	(TGP - 500 Leg Index for December 2019 plus \$5.00)		
		TOTAL DUE	\$ 6,068.79

Greystone, LLC
600 The Grange Lane
Lexington, KY 40511
Tel (859) 321-1500

INVOICE 112619.15 (REVISED)

11.26.2019

BILL TO

Citigas, LLC
2309 Cone Blvd.
Suite 200
Greensboro, NC 27408

Bank Wire Instructions for Payment:
Fifth Third Bank, Lexington, KY
ABA #042 101 190
Acct #7382026768
Acct Name: Greystone, LLC

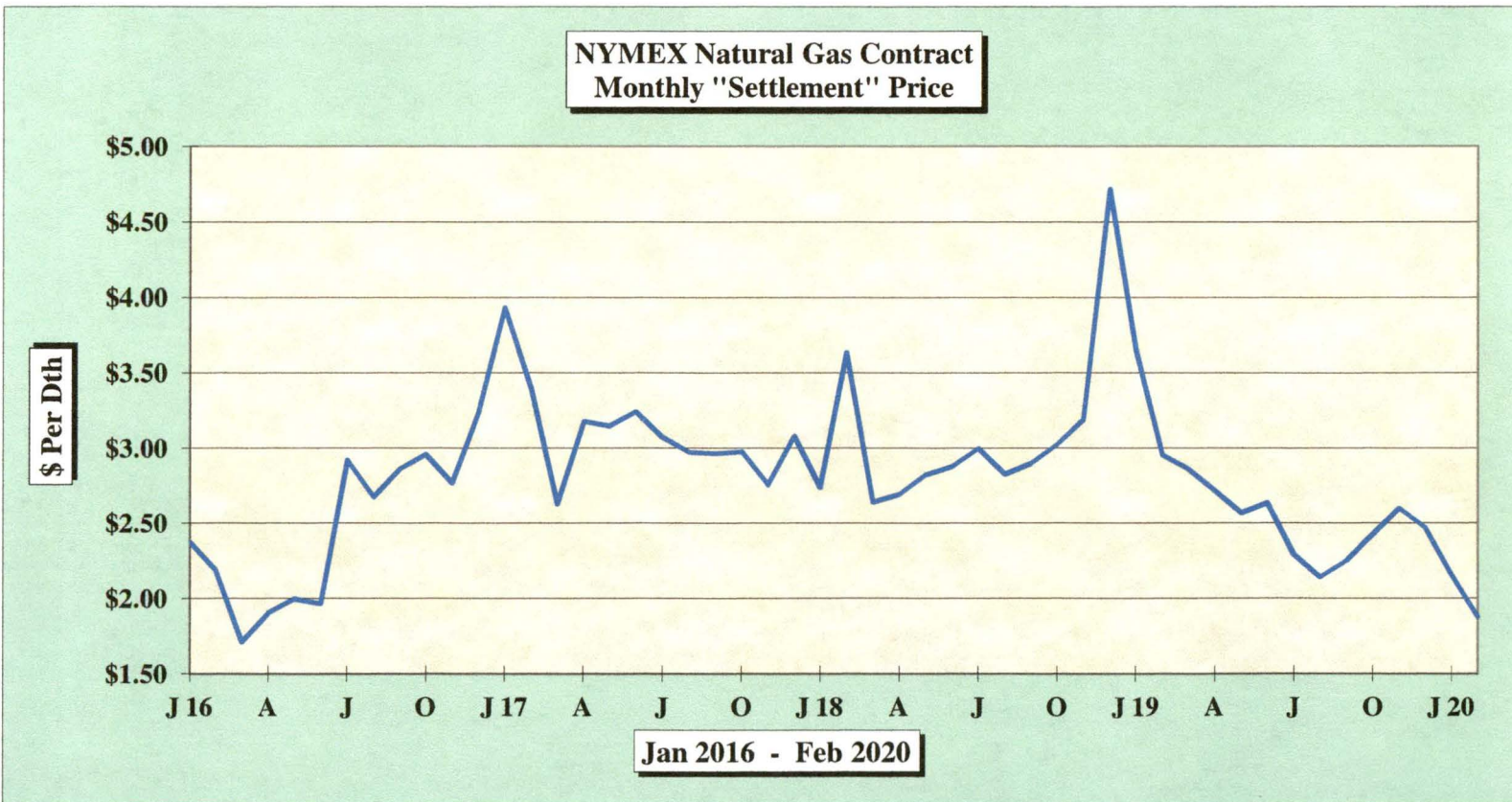
QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
3,299.6 Mcf	October, 2019 Gas Supply - Citipower	\$3.678	\$12,135.93
8,396.8 Mcf	November, 2019 Gas Supply - Citipower	\$3.847	\$32,302.49
10,048.8 Mcf	December, 2019 Gas Supply - Citipower	\$3.720	\$37,381.54

TOTAL \$81,819.96

TOTAL DUE 01.27.20

NYMEX - NATURAL GAS CONTRACT SETTLEMENT PRICE HISTORY

<u>Monthly Settlement Price</u>													
<u>YEAR</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>YR AVG</u>
2016	2.372	2.189	1.711	1.903	1.995	1.963	2.917	2.672	2.853	2.952	2.764	3.232	2.460
2017	3.930	3.391	2.627	3.175	3.142	3.236	3.067	2.969	2.961	2.974	2.752	3.074	3.108
2018	2.738	3.631	2.639	2.691	2.821	2.875	2.996	2.822	2.895	3.021	3.185	4.715	3.086
2019	3.642	2.950	2.855	2.713	2.566	2.633	2.291	2.141	2.251	2.428	2.597	2.470	2.628
2020	2.158	1.877											2.018



Source: www.gsf.net/common/NYMEXSettlementHistory.pdf
 date: 2/7/20

		\$0.030	\$0.030					\$0.038	\$0.038		\$0.040	\$0.030		
	<u>NYMEX</u>	<u>PEPL</u>	<u>TGPL</u>	<u>Transco</u>	<u>NGPL</u>	<u>NGPL</u>	<u>Chicago</u>	<u>ANR</u>	<u>ANR</u>	<u>NNG</u>	<u>So. Star</u>	<u>CIG</u>	<u>EPNG</u>	<u>Chicago</u>
	<u>Settle</u>	<u>TX OK</u>	<u>LA-500</u>	<u>Zone 5</u>	<u>Mid-Con</u>	<u>Texok</u>	<u>City Gate</u>	<u>LA</u>	<u>OK</u>	<u>Ventura</u>	<u>MidCon</u>	<u>Rocky</u>	<u>Permian</u>	<u>NGI</u>
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
Jun-18	2.875	2.21	2.81	2.94	2.31	2.71	2.70	2.70	2.22	2.51	2.23	1.96	1.90	2.71
Jul-18	2.996	2.24	2.92	3.07	2.29	2.82	2.78	2.81	2.26	2.65	2.24	2.08	1.74	2.78
Aug-18	2.822	2.34	2.75	2.91	2.33	2.67	2.73	2.71	2.34	2.64	2.32	2.23	1.85	2.73
Sep-18	2.895	2.22	2.83	2.94	2.23	2.74	2.75	2.78	2.24	2.68	2.20	2.22	1.45	2.75
Oct-18	3.021	2.12	2.96	3.05	2.05	2.84	2.93	2.84	2.20	2.85	2.17	2.04	1.21	2.93
Nov-18	3.185	2.78	3.15	3.34	2.69	3.08	3.52	3.09	2.86	3.47	NA	3.03	1.70	3.53
Dec-18	4.715	4.38	4.71	5.94	4.20	4.56	4.43	4.64	4.45	5.06	4.48	4.10	1.51	4.42
Jan-19	3.642	3.16	3.59	7.31	2.93	3.37	3.99	3.56	3.28	4.69	3.30	3.54	2.27	3.99
Feb-19	2.950	2.67	2.88	4.76	2.47	2.77	3.19	2.85	2.70	3.29	2.74	2.85	1.77	3.20
Mar-19	2.855	2.45	2.79	3.02	2.46	2.71	2.78	2.77	2.56	2.83	2.58	2.45	1.21	2.78
Apr-19	2.713	2.15	2.65	2.73	2.19	2.55	2.66	2.62	2.21	2.48	2.25	2.25	0.34	2.67
May-19	2.566	1.79	2.50	2.53	1.90	2.36	2.31	2.49	1.89	2.17	1.86	1.75	0.12	2.31
Jun-19	2.633	1.86	2.56	2.62	1.68	2.36	2.39	2.53	1.87	2.20	1.93	1.86		2.39
Jul-19	2.291	1.45	2.20	2.34	1.65	2.07	2.10	2.17	1.62	1.99	1.68	1.61	0.28	2.10
Aug-19	2.141	1.46	2.06	2.18	1.65	1.92	2.02	2.06	1.78	1.96	1.74	1.76	0.91	2.015
Sep-19	2.251	1.56	2.19	2.28	1.60	2.02	1.97	2.17	1.73	1.87	1.66	1.65	1.28	1.965
Oct-19	2.428	1.61	2.38	2.46	1.69	2.03	2.11	2.34	1.73	1.95	1.70	1.79	1.64	2.115
Nov-19	2.597	2.03	2.54	2.66	1.83	2.42	2.46	2.53	2.24	2.60	2.14	1.94	0.87	2.46
Dec-19	2.47	1.96	2.41	3.28	1.67	2.26	2.74	2.39	2.35	2.83	2.32	2.29	1.50	2.74
Jan-20	2.158	1.64	2.08	3.29	1.43	1.97	2.30	2.07	1.95	2.43	1.96	1.86	1.24	2.295
Feb-20	1.877	1.41	1.80	2.30	1.41	1.72	1.89	1.81	1.68	1.93	1.62	1.64	0.49	1.895