



2010-00097

February 26, 2010

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

RECEIVED

MAR 01 2010

PUBLIC SERVICE
COMMISSION

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

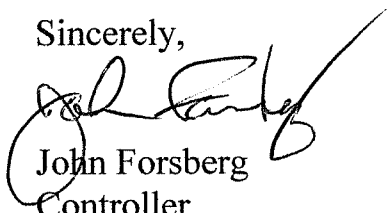
Dear Mr. DeRouen:

Please accept the enclosed Citipower, L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation rates to be effective April 1, 2010 based on the reporting period from October 1, 2009 through December 31, 2009. 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.

Due to cold weather (resulting in higher gas usage and "Special and Extraordinary Circumstances") Citipower, L.L.C. has had to purchase gas from Citizens Gas at a higher than normal rate. Enclosed are copies of invoices from Citizens Gas for December and January 2010 in addition to estimated charges for February 2010. Our understanding is that our tariff allows for Special and Extraordinary Circumstances.

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,



John Forsberg
Controller

Citipower, LLC
2122 Enterprise Road
Greensboro, NC 27408

Voice 336-379-0800
Fax 336-379-0881

CITIPOWER, LLC

**QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION**

RECEIVED

MAR 01 2010

PUBLIC SERVICE
COMMISSION

Date Filed:

February 26, 2010

Date Rated to be Effective:

April 1, 2010

Reporting Period is Calendar Quarter Ended:

December 31, 2009

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGA)	\$/Mcf	\$7.9211
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.4371
Balance Adjustment (BA)	\$/Mcf	\$0.0874
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$8.4456

to be effective for service rendered from April 1, 2010 to June 30 2010.

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$675,741
/Sales for the 12 months ended Sept 30, 2009	\$/Mcf	85,309
Expected Gas Cost	\$/Mcf	\$7.9211
<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	\$0.1666
+Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.0015
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.7136
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.4446)
=Actual Adjustment (AA)	\$ Mcf	\$0.4371
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0000
+Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0028
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0846
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0000
=Balance Adjustment (BA)	\$ Mcf	\$0.0874

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			85,309	\$7.92	\$675,741

Totals			85,309		\$675,741
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Line loss for 12 months ended 12/31/2009 is based on purchases of 85,309
and sales of 85,309 Mcf. 0.00%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$675,741
/ Mcf Purchases (4)		85,309
= Average Expected Cost Per Mcf Purchased		\$7.9211
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		85,309
= Total Expected Gas Cost (to Schedule IA)		\$675,741

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

For the period ended December 31, 2009.

<u>Particulars</u>	<u>Unit</u>	<u>Oct '09</u> <u>Month 1</u>	<u>Nov '09</u> <u>Month 2</u>	<u>Dec '09</u> <u>Month 3</u>
Total Supply Volumes Purchased	Mcf	6,685	7,118	14,162
Total Cost of Volumes Purchased	\$	\$45,253	\$52,151	\$106,116
/ Total Sales *	Mcf	6,685	7,118	14,162
= Unit Cost of Gas	\$/Mcf	\$6.7693	\$7.3266	\$7.4930
- EGC in Effect for Month	\$/Mcf	\$6.7695	\$6.7695	\$6.7695
= Difference	\$/Mcf	(\$0.0002)	\$0.5571	\$0.7235
x Actual Sales during Month	Mcf	6,685	7,118	14,162
= Monthly Cost Difference	\$	(\$1)	\$3,966	\$10,246
Total Cost Difference			\$	\$14,211
/ Sales for 12 months ended 12/31/09			Mcf	85,309
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.1666

* May not be less than 95% of supply volume

CITIPOWER, LLC
SCHEDULE V
BALANCE ADJUSTMENT

Case No. 2008-00491

Effective Date	Mcf Sales	Factor	Refunded	Balance
Beginning Balance				\$8
Dec-08	11,125	\$0.0001	\$1	\$7
Jan-09	15,525	\$0.0001	\$2	\$5
Feb-09	11,902	\$0.0001	\$1	\$4
Mar-09	8,953	\$0.0001	\$1	\$3
Apr-09	7,426	\$0.0001	\$1	\$3
May-09	3,837	\$0.0001	\$0	\$2
Jun-09	3,053	\$0.0001	\$0	\$2
Jul-09	2,342	\$0.0001	\$0	\$2
Aug-09	2,025	\$0.0001	\$0	\$2
Sep-09	2,281	\$0.0001	\$0	\$1
Oct-09	6,685	\$0.0001	\$1	\$1
Nov-09	7,118	\$0.0001	\$1	(\$0)

Under/(Over) Recovery	(\$0)
Mcf Sales for factor	85,309
BA Factor	(\$0.0000)

Citipower, LLC
Quarterly Report of Gas Cost
Filing Date: 2/26/2010
Schedule II - Expected Gas Cost

Month	Expected			
	Mcf (Purchased)	Forexco	Citizens	Cost
Jan-09	15,525	64,601	90,448	155,049
Feb-09	11,902	44,665	73,949	118,614
Mar-09	8,953	60,607		60,607
Apr-09	7,426	50,270		50,270
May-09	3,837	25,975		25,975
Jun-09	3,053	20,667		20,667
Jul-09	2,342	15,854		15,854
Aug-09	2,025	13,708		13,708
Sep-09	2,281	15,441		15,441
Oct-10	6,685	45,253		45,253
Nov-10	7,118	48,185		48,185
Dec-10	14,162	85,566	20,549	106,116
	85,309	490,795	184,946	675,741



February 26, 2010

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for April 2010 through March 2010 will be as calculated below:

Purchases From Forexco:	
Richardson Barr July 09 NYMEX 12 Month Strip	\$ 5.39
Plus 20% BTU Factor	<u>\$ 1.08</u>
Total	\$ 6.47

Purchases From Citizens:

TGP-500L + \$5.00 + \$1.96 p/mcf

Sincerely,

Daniel R Forsberg
President

2122 Enterprise Rd.
Greensboro, NC 27408
(336) 379-0800
(336) 379-0881 Fax

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JAN 21 2010

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

Date: JANUARY 5, 2010

Number: 0110-CitiGas

To: CitiGas, LLC.

Due: JANUARY 30, 2010

2122 Enterprise Road
Greensboro, NC. 27408

Quantity	Description	Unit Price	Amount
	December 2009 Deliveries		
	Isham Road Compressor: 1,851 DTH @ \$ 9.49		\$ 17,565.99
	(1,522 MCF * 1.216 BTU = 1851 DTH)		
	(TGP -- 500 Leg Index for December 2009 which is \$4.49 plus \$5.00)		
		TOTAL DUE	\$17,565.99

CitiGas approved * 1.96 (P/MCF)

Total

2,983.12

\$ 20,549.11

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

Date: FEBRUARY 5, 2010

Number: 0210-CitiGas

To: CitiGas, LLC.
 2122 Enterprise Road
 Greensboro, NC. 27408

Due: FEBRUARY 28, 2010

Quantity	Description	Unit Price	Amount
	January 2010 Deliveries		
	Isham Road Compressor: 7,262 DTH @ \$10.84		\$ 78,720.08
	(5,982 MCF * 1.214 BTU = 7,262 DTH)		
	(TGP - 500 Leg Index for January 2010 which is \$5.84 plus \$5.00)		
		TOTAL DUE	\$78,720.08

*Citi gas approved \$ 1.96 (P/MCF)
 Total*

** 11,724.72
* 90,444.80*

Feb 2010 Sales to Citizens

CITIZENS METER		
DATE	METER READING	MCF
2/1/10	14762	197
2/2/10	15008	246
2/3/10	16152	144
2/4/10	15285	133
2/5/10	15405	120
2/6/10	15561	156
2/7/10	15709	148
2/8/10	15913	204
2/9/10	16078	165
2/10/10	16321	243
2/11/10	16639	318
2/12/10	16887	248
2/13/10	17150	263
2/14/10	17395	245
2/15/10	17579	184
2/16/10	17846	267
2/17/10	18114	268
2/18/10	18366	242
2/19/10	18549	193
2/20/10	18710	161
2/21/10	18819	109
2/22/10	18845	26
2/23/10	18917	72
2/24/10	19089	152
	TOTAL	4504

Est thro 2/28
@ 200 pldary

800

Total MCF - Feb 2010.

5304

Estimated Due to Citizens - Feb 2010 Deliveries

TGP-500kg Index Feb (see Attached)	4.87
Plus Citizens 5.00	5.00
Citizens Charge Per DTH	<u>* 9.87</u>

Feb Deliveries 5,304 x 1.214 (Btu) = 6,439 DTH
x 9.87

* 63,552.93

Est. Due to Citizens

Citigao \$1.96 (MCF) x 5,304
total Gas Cost Feb 2010

19,395.84

* 73,948.77

Feb 25, 2010



TGP-500L	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9200	4.8550	4.8751	.0264	619,500	103	43
TGP-800L	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9200	4.8400	4.8722	.0227	219,200	42	26
TGP-Niagara	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	5.2600	5.2000	5.2299	.0372	54,700	14	10
TGP-Z0	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.8700	4.8100	4.8261	.0075	349,900	62	28
TGP-Z6 300L	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	5.5000	5.5000	5.5000	.0500	400	1	2
TGP-Z6 200L	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	5.4850	5.4000	5.4415	.0742	69,500	17	15
TGT-SL (FT)	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9350	4.8650	4.9041	.0114	135,400	29	23
TGT-Z1 (FT)	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9400	4.8700	4.8918	.0055	315,900	69	32
TW-Blanco	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.8800	4.8300	4.8664	-.0273	82,300	18	12
TW-Central	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.8700	4.8400	4.8552	-.0148	16,400	4	5
TW-WTX	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.8500	4.8200	4.8459	-.0336	4,600	3	5
Transco-30	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.8950	4.8300	4.8491	.0040	62,200	17	15
Transco-45	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9450	4.9300	4.9367	.0492	25,200	8	9
Transco-65	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9800	4.9450	4.9651	.0271	230,400	45	23
Transco-85	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9900	4.9500	4.9702	.0225	365,900	66	32
Transco-Z5 (non-WGL)	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	5.3200	5.1900	5.1915	-.0085	8,600	3	5
Transco-Z6 (NY)	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	5.5300	5.4500	5.4938	.1243	156,600	37	23
Transco-Z6 (non-NY)	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	5.4900	5.3400	5.4307	.1118	79,700	25	21
Trunkline-ELA	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9250	4.8700	4.8881	-.0208	70,600	18	19
Trunkline-WLA	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9100	4.8800	4.8983	-.0130	112,000	21	18
Trunkline-Z1A	Feb 24, 2010	Feb 25, 2010	Feb 25, 2010	4.9300	4.8800	4.9017	-.0065	138,400	28	18