



RECEIVED

February 26, 2018

MAR 01 2018

PUBLIC SERVICE
COMMISSION

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, 2018 based on the reporting period from October 1, 2017 through December 31, 2017. 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
**QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION**

RECEIVED

MAR 01 2018

**PUBLIC SERVICE
COMMISSION**

Date Filed:

February 26, 2018

Date Rated to be Effective:

April 1, 2018

Reporting Period is Calendar Quarter Ended:

December 2017

CITIPower, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$3.7085
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.0296
Balance Adjustment (BA)	\$/Mcf	(\$0.0172)
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$3.7210

to be effective for service rendered from April 2018 through June 2018

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$207,793
/Sales for the 12 months ended 12/17	\$/Mcf	56,031
Expected Gas Cost	\$/Mcf	\$3.7085
<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	\$0.1446
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0148)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0582)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0420)
=Actual Adjustment (AA)	\$ Mcf	\$0.0296
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0030
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0267)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0397
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0332)
=Balance Adjustment (BA)	\$ Mcf	(\$0.0172)

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			53,666	\$3.40	\$182,249
Citizens Gas Utility District			2,365	\$10.80	\$25,544

Totals			56,031		\$207,793
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Line loss for 12 months ended 12/31/2017 is based on purchases of 56,031
and sales of 56,031 Mcf. 0.00%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$207,793
/ Mcf Purchases (4)		56,031
= Average Expected Cost Per Mcf Purchased		\$3.7085
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		56,031
= Total Expected Gas Cost (to Schedule IA)		\$207,793

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

Particulars	Unit	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>
Total Supply Volumes Purchased	Mcf	2,868	6,686	9,046
Total Cost of Volumes Purchased	\$	\$10,524	\$24,813	\$44,308
/ Total Sales *	Mcf	2,868	6,686	9,046
= Unit Cost of Gas	\$/Mcf	\$3.6700	\$3.7114	\$4.8980
- EGC in Effect for Month	\$/Mcf	\$3.8464	\$3.8464	\$3.8464
= Difference	\$/Mcf	(\$0.1764)	(\$0.1350)	\$1.0516
x Actual Sales during Month	Mcf	2,868	6,686	9,046
= Monthly Cost Difference	\$	(\$506)	(\$903)	\$9,513
Total Cost Difference				\$ 8,104
/ Sales for 12 months ended 12/31/17				Mcf 56,031
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.1446

* May not be less than 95% of supply volume

2016-00416

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	56,031	\$0.0175	\$981	\$1,151

Under/(Over) Recovery	\$171
Mcf Sales for factor	56,031
BA Factor	\$0.0030

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

Month	Expected						Total Cost	Mcf (Sold)
	Mcf	Citigas		Citizens				
		Cost p/mcf	Total	MCF	Cost p/mcf	Total		
Jan-17	8,408	3.40	28,553	626	10.80	6,761	35,314	9,034
Feb-17	8,314	3.40	28,233	81	10.80	877	29,110	8,395
Mar-17	7,579	3.40	25,739	244	10.80	2,635	28,374	7,823
Apr-17	2,940	3.40	9,985		10.80	0	9,985	2,940
May-17	2,102	3.40	7,137		10.80	0	7,137	2,102
Jun-17	2,002	3.40	6,798		10.80	0	6,798	2,002
Jul-17	1,643	3.40	5,581		10.80	0	5,581	1,643
Aug-17	1,596	3.40	5,418		10.80	0	5,418	1,596
Sep-17	1,897	3.40	6,442		10.80	0	6,442	1,897
Oct-17	2,868	3.40	9,739		10.80	0	9,739	2,868
Nov-17	6,650	3.40	22,582	36	10.80	389	22,971	6,686
Dec-17	7,668	3.40	26,041	1,378	10.80	14,882	40,924	9,046
	53,666		182,249	2,365		25,544	207,793	56,031

12 month strip	2.83	TGP 500L*	3.59
20% Btu Factor	0.57	Citizens	5.00
Total Gas Price	3.40	Citigas	2.21
		Total Price	10.80



February 26, 2018

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for April 2018 through June 2018 will be as calculated below:

Purchases From Forexco:

Richardson Barr NYMEX 12 Month Strip	\$ 2.83
Plus 20% BTU Factor	<u>\$ 0.57</u>

Total	\$ 3.40
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Purchases From Citizens:

TGP-500L \$3.59 + \$5.00 + \$2.21 p/mcf	\$ 10.80
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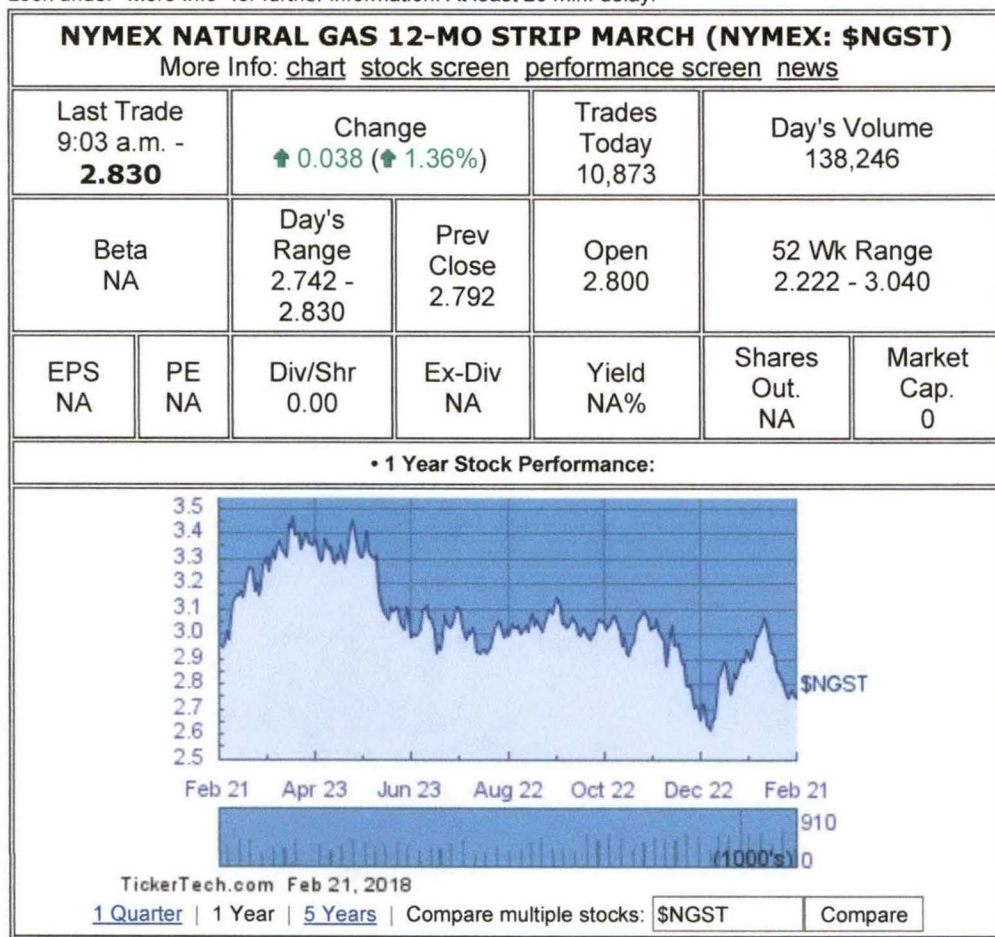
Sincerely,

Daniel R Forsberg
President

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



Look under "More Info" for further information. At least 20 min. delay.



[Back](#)

New price effective is \$3.67
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

November 1, 2017

INVOICE

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

PROD MONTH: October-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$3.6700

MCFs	2,867.70	per Citipower reports
	0.00	Less gas purchased from Citizens
Net MCFs purchased from Forexco	2,867.70	
Amount Due	\$10,524.46	

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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 due for month \$10,524.46

New price effective is \$3.67
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

December 1, 2017

INVOICE

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

PROD MONTH: November-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$3.6700

MCFs	6,685.70	per Citipower reports
Net MCFs purchased from Forexco	6,649.70	(36.00) Less gas purchased from Citizens
Amount Due	\$24,404.40	

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Invoiced from Citizens Gas Utility District \$329.38

MCFs 36.00

Transportation @ .25/mcf \$9.00

Marketing fee @ \$1.96/mcf \$70.56

Total amount due for Citizens purchase \$408.94

Total due for month \$24,813.34

New price effective is \$3.67
Which includes BTU adjustment

Citigas, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

January 1, 2018

INVOICE

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

PROD MONTH: December-17

Purchased from Forexco, Inc.

Gas cost per mcf

BTU Adjustment

Selling Price \$3.6700

MCFs	9,046.20	per Citipower reports
Net MCFs purchased from Forexco	(1,378.00)	Less gas purchased from Citizens
Amount Due	7,668.20	
	\$28,142.29	

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Invoiced from Citizens Gas Utility District \$13,120.38

MCFs 1,378.00

Transportation @ .25/mcf \$344.50

Marketing fee @ \$1.96/mcf \$2,700.88

Total amount due for Citizens purchase \$16,165.76

Total due for month \$44,308.05

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DEC 11 2017

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: DECEMBER 5, 2017**Number: 0517-CitiGas****To: CitiGas, LLC.****Due: DECEMBER 31, 2017**

2309 Cone Blvd.

Suite 200

Greensboro, NC. 27408

Quantity	Description	Unit Price	Amount
	November 2017 Deliveries		
	Isham Road Compressor: 43 DTH \$ 7.66		\$ 329.38
	(36 MCF * 1.188 BTU = 43 DTH)		
	(TGP – 500 Leg Index for November 2017 plus \$5.00)		
		TOTAL DUE	\$ 329.38

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

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JAN 15 2018

Invoice

Date: JANUARY 5, 2018

Number: 0617-CitiGas

To: CitiGas, LLC.

2309 Cone Blvd.

Suite 200

Greensboro, NC. 27408

Due: JANUARY 31, 2018

Quantity	Description	Unit Price	Amount
	December 2017 Deliveries		
	Isham Road Compressor: 1,638 DTH \$ 8.01		\$ 13,120.38
	(1,378 MCF * 1.189 BTU = 1,638 DTH)		
	(TGP – 500 Leg Index for December 2017 plus \$5.00)		
		TOTAL DUE	\$ 13,120.38

		\$0.030	\$0.030					\$0.038	\$0.038			\$0.040	\$0.030
	NYMEX	PEPL	TGPL	Transco	NGPL	NGPL	Chicago	ANR	ANR	NNG	So. Star	CIG	EPNG
	Settle	TX OK	LA-500	Zone 5	Mid-Con	Texok	City Gate	LA	OK	Ventura	MidCon	Rocky	Permian
Feb-16	2.189	2.04	2.16	3.00	2.06	2.13	2.32	2.17	2.05	2.28	2.02	1.99	2.02
Mar-16	1.711	1.48	1.66	1.81	1.52	1.62	1.85	1.64	1.53	1.63	1.49	1.49	1.55
Apr-16	1.903	1.61	1.84	1.93	1.59	1.80	1.89	1.83	1.63	1.73	1.61	1.51	1.54
May-16	1.995	1.73	1.92	2.02	1.83	1.91	2.04	1.92	1.79	1.91	1.76	1.74	1.80
Jun-16	1.963	1.76	1.89	1.99	1.84	1.88	1.94	1.88	1.77	1.88	1.78	1.75	1.81
Jul-16	2.917	2.66	2.86	2.93	2.62	2.75	2.80	2.85	2.53	2.70	2.48	2.44	2.56
Aug-16	2.672	2.43	2.61	2.71	2.52	2.62	2.67	2.59	2.47	2.60	2.49	2.43	2.56
Sep-16	2.853	2.59	2.79	2.90	2.67	2.75	2.81	2.80	2.60	2.75	2.60	2.53	2.60
Oct-16	2.952	2.69	2.90	3.00	2.76	2.85	2.96	2.88	2.72	2.86	2.71	2.65	2.72
Nov-16	2.764	2.55	2.70	2.86	2.60	2.66	2.81	2.69	2.55	2.73	2.55	2.54	2.52
Dec-16	3.232	3.04	3.17	3.74	2.97	3.09	3.25	3.19	3.00	3.11	3.04	2.77	2.93
Jan-17	3.930	3.69	3.88	5.82	3.66	3.78	4.17	3.89	3.74	4.17	3.75	3.63	3.50
Feb-17	3.391	3.19	3.31	4.12	3.10	3.25	3.40	3.31	3.11	3.32	3.08	3.12	3.09
Mar-17	2.627	2.34	2.54	2.65	2.32	2.49	2.63	2.52	2.34	2.44	2.30	2.28	2.27
Apr-17	3.175	2.71	3.09	3.18	2.72	3.02	3.01	3.10	2.72	2.82	2.66	2.63	2.59
May-17	3.142	2.67	3.05	3.09	2.72	2.92	2.92	3.06	2.66	2.79	2.66	2.59	2.57
Jun-17	3.236	2.82	3.15	3.17	2.91	3.08	3.09	3.15	2.88	2.94	2.84	2.76	2.79
Jul-17	3.067	2.68	2.97	3.02	2.71	2.90	2.88	2.96	2.73	2.76	2.66	2.58	2.66
Aug-17	2.969	2.57	2.88	3.01	2.66	2.81	2.83	2.88	2.63	2.73	2.58	2.57	2.55
Sep-17	2.961	2.56	2.89	2.98	2.65	2.81	2.79	2.87	2.63	2.74	2.54	2.56	2.57
Oct-17	2.974	2.50	2.88	2.99	2.62	2.80	2.82	2.84	2.58	2.69	2.51	2.48	2.40
Nov-17	2.752	2.37	2.66	2.82	2.50	2.60	2.83	2.62	2.41	2.71	2.37	2.53	2.40
Dec-17	3.074	2.67	3.01	3.67	2.74	2.90	3.10	2.99	2.74	3.08	2.64	2.66	2.44
Jan-18	2.738	2.40	2.67	5.63	2.38	2.57	3.07	2.66	2.58	3.56	2.60	2.40	2.23
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