

Peoples Gas KY LLC

Summary of Proposed Tariff Rates

	<u>Current Tariff Rate</u> (1) \$/Mcf (a)	<u>Current GCR Rate</u> (2) \$/Mcf (b)	<u>Proposed GCR Rate</u> (3) \$/Mcf	<u>Difference</u> (4) \$/Mcf (3) - (2)	<u>Proposed Tariff Rate</u> (5) \$/Mcf (1) + (4)
All MCF	6.9982	4.8660	4.5202	(0.3458)	6.6524

(a) Non-Gas Rate approved by the Commission at Case No. 2003-00411.

(b) Rate approved by the Commission at Case No. 2015-00083.

## Peoples Gas KY LLC

Summary of Gas Cost Recovery Rate  
Proposed to Become Effective for the  
Period August 1, 2015 through October 31, 2015

Line No.	<u>Units</u> (1)	<u>Amount</u> (2)	
<u>GCR Components</u>			
1	Expected Gas Cost (EGC)	\$/Mcf	4.9299
2	Supplier Refund (RA)	\$/Mcf	0.0000
3	Actual Cost Adjustment (ACA)	\$/Mcf	(0.3775)
4	Balance Adjustment (BA)	\$/Mcf	<u>(0.0322)</u>
5	Gas Cost Recovery Rate (EGC + RA + ACA + BA)	\$/Mcf	<u><u>4.5202</u></u>
 <u>Expected Gas Cost Calculation (EGC)</u>			
6	Total Expected Cost of Gas	\$	1,059,399 (a)
7	Total Normalized Annual Sales	Mcf	<u>214,892 (b)</u>
8	Expected Gas Cost Rate (EGC) (Line 6 ÷ Line 7)	\$/Mcf	<u><u>4.9299</u></u>
 <u>Supplier Refund Adjustment Summary</u>			
9	Current Quarter Refund Adjustment	\$/Mcf	0.0000 (c)
10	Previous Quarter Refund Adjustment	\$/Mcf	0.0000 (d)
11	2nd Previous Quarter Refund Adjustment	\$/Mcf	0.0000 (e)
12	3rd Previous Quarter Refund Adjustment	\$/Mcf	<u>0.0000 (f)</u>
13	Supplier Refund Adjustment (RA)	\$/Mcf	<u><u>0.0000</u></u>
 <u>Actual Cost Adjustment Summary</u>			
14	Current Quarter Adjustment	\$/Mcf	0.5344 (g)
15	Previous Quarter Adjustment	\$/Mcf	(0.3421) (d)
16	2nd Previous Quarter Adjustment	\$/Mcf	(0.3754) (e)
17	3rd Previous Quarter Adjustment	\$/Mcf	(0.1944) (f)
18	Actual Cost Adjustment (ACA)	\$/Mcf	<u><u>(0.3775)</u></u>
 <u>Balance Adjustment Summary</u>			
19	Current Quarter Adjustment	\$/Mcf	0.0037 (h)
20	Previous Quarter Adjustment	\$/Mcf	0.0189 (d)
21	2nd Previous Quarter Adjustment	\$/Mcf	(0.0603) (e)
22	3rd Previous Quarter Adjustment	\$/Mcf	0.0055 (f)
23	Balance Adjustment (BA)	\$/Mcf	<u><u>(0.0322)</u></u>

(a) See Schedule 2.

(b) See Schedule 3.

(c) No supplier refunds were received during February 2015 through April 2015.

(d) As approved in Case No. 2015-00083.

(e) As approved in Case No. 2014-00431.

(f) As approved in Case No. 2014-00332.

(g) See Schedule 4.

(h) See Schedule 5.

## Peoples Gas KY LLC

Calculation of Expected Gas Cost Based on Purchases  
for the Twelve Months Ended April 2015 At Supplier  
Costs Estimated to Become Effective May 1, 2015

	<u>Purchases</u>	<u>Purchases</u>	<u>Average Rate</u>	<u>Annual Cost</u>
	(1)	(2)	(3)	(4)
	Mcf	Dth	\$/Dth	\$
			(a)	(2) x (3)
<u>PURCHASES</u>				
1 May 2014	9,284	12,324	3.8491	47,436
2 June	4,494	5,813	3.8491	22,375
3 July	4,304	4,983	3.8491	19,180
4 August	3,600	4,392	3.8491	16,905
5 September	4,544	5,566	3.8491	21,424
6 October	14,526	17,794	3.8491	68,492
7 November	25,472	32,106	3.8491	123,578
8 December	30,868	37,813	3.8491	145,548
9 January 2015	41,460	50,789	3.8491	195,491
10 February	47,164	50,413	3.8491	194,044
11 March	29,792	36,495	3.8491	140,474
12 April 2015	13,669	16,745	3.8491	64,452
13 Total	<u>229,177</u>	<u>275,233</u>	<u>-</u>	<u>1,059,399</u>

(a) Estimated average rate based on average Nymex prices plus TCO basis for a 3 month period, plus \$0.7251/Dth VTS Rate from Kentucky West Virginia Gas Company, and adjusted for 11% retainage.

## Peoples Gas KY LLC

## Summary of Normalized Sales

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Normalized</u> <u>Sales</u> (1) Mcf
1	May	12,249
2	June	3,871
3	July	3,971
4	August	3,933
5	September	4,620
6	October	13,003
7	November	19,792
8	December	32,825
9	January	40,848
10	February	34,809
11	March	29,472
12	April	15,500
13	Total	<u>214,892</u>

## Peoples Gas KY LLC

Calculation of Actual Cost Adjustment for the Period  
February 2015 through April 2015

<u>Description</u>	<u>Unit</u>	<u>February</u>	<u>March</u>	<u>April 1/</u>	<u>Total</u>
	(1)	(2)	(3)	(4)	(5)
1 Supply Volume Per Invoice	Mcf	41,197	68,873	13,669	123,739
2 Supply Cost Per Books	\$	161,694	387,567	58,817	608,078
3 Sales Volume (c)	Mcf	6,012 41,152	29,792	13,669	90,626
4 EGC Rate in Effect (a), (c)	\$/Mcf	5.8638			
EGC Rate in Effect (b), (c)		5.4128	5.4128	5.4128	
5 EGC Revenue (Line 3 x Line 4)	\$	258,002	161,259	73,989	493,250
6 Over/(Under) Recovery (Line 5 - Line 2)	\$	96,308	(226,308)	15,172	(114,828)
7 Total Current Quarter Actual Cost to be included in rates					(114,828)
8 Normalized Sales					214,892
9 Current Quarter Actual Cost Adjustment (ACA) (Line 7 ÷ Line 8)					0.5344

(a) Approved in Case No. 2014-00332.

(b) Approved in Case No. 2014-00431.

(c) May pro-rated for rate change.

1/ April 2015 costs are estimated.

## Peoples Gas KY LLC

Calculation of Balancing Adjustment for  
Over/(Under) Recoveries of Gas Cost Incurred  
During the Twelve Month Period Beginning May 2014

	<u>Sales</u>	<u>ACA</u> <u>Rate</u>	<u>ACA</u> <u>Recovery</u>	<u>Over/(Under)</u> <u>Collection</u> <u>Balance</u>
	(1)	(2)	(3)	(4)
	Mcf	\$/Mcf	\$ (1) x (2)	\$
Balance Approved by the Commission in Case No. 2014-00105.				73,238
<u>Actual</u>				
May 2014	7,527	(0.3251)	(2,447)	70,791
June	4,494	(0.3251)	(1,461)	69,330
July	4,600	(0.3251)	(1,495)	67,835
August	3,304	(0.3251)	(1,074)	66,761
September	4,544	(0.3251)	(1,477)	65,284
October	13,790	(0.3251)	(4,483)	60,801
November	26,208	(0.3251)	(8,520)	52,280
December	30,868	(0.3251)	(10,035)	42,245
January 2015	47,472	(0.3251)	(15,433)	26,812
February	41,152	(0.3251)	(13,379)	13,433
March	29,792	(0.3251)	(9,685)	3,748
April 2015	13,959	(0.3251)	(4,538)	(790)
Total	<u>227,710</u>		<u>(74,029)</u>	
Normalized Sales				214,892 Mcf
Balancing Adjustment (\$790) ÷ 214,892 Mcf				\$0.0037 /Mcf