Citipower L.L.C.

May 29, 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 July 1, 2020 based on the reporting period from January 1, 2020 through March 31, 2020. 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

2309 W Cone Blvd, Ste 200
Greensboro, NC 27408-4047
(336) 379-0800

CITIPOWER, LLC

QUARTERLY REPORT OF GAS COST RECOVERY RATE CALCULATION

Date Filed:

May 29, 2020

Date Rated to be Effective:

July 1, 2020

Reporting Period is Calendar Quarter Ended:

March 31, 2020

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

Component	Unit	Amount
Expected Gas Cost (EGC)	$/Mcf	$4.4520
Refund Adjustment (RA)	$/Mcf	$0.0000
Actual Adjustment (AA)	$/Mcf	$0.0930
Balance Adjustment (BA)	$/Mcf	($0.0200)
Gas Cost Recovery Rate (GCR)	$/Mcf	$4.5250

to be effective for service rendered from July 2020 through September 2020

A. EXPECTED GAS COST CALCULATION	Unit	Amount
Total Expected Gas Cost (Sch II)	$/Mcf	$302,192
/Sales for the 12 months ended 3/20	$/Mcf	67,878
Expected Gas Cost	$/Mcf	$4.4520

B. REFUND ADJUSTMENT CALCULATION	Unit	Amount
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

C. ACTUAL ADJUSTMENT CALCULATION	Unit	Amount
Actual Adjustment for the Reporting Period (Sch IV)	$/Mcf	$0.1861
+Previous Quarter Reported Actual Adjustment	$/Mcf	$0.0996
+Second Previous Quarter Reported Actual Adjustment	$/Mcf	($0.0707)
+Third Previous Quarter Reported Actual Adjustment	$/Mcf	($0.1220)
=Actual Adjustment (AA)	$ Mcf	$0.0930

D. BALANCE ADJUSTMENT CALCULATION	Unit	Amount
Balance Adjustment for the Reporting Period (Sch V)	$/Mcf	($0.0072)
+Previous Quarter Reported Balance Adjustment	$/Mcf	($0.0014)
+Second Previous Quarter Reported Balance Adjustment	$/Mcf	($0.0012)
+Third Previous Quarter Reported Balance Adjustment	$/Mcf	($0.0102)
=Balance Adjustment (BA)	$ Mcf	($0.0200)

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			67,878	$4.45	$302,192
Totals			67,878		$302,192

Line loss for 12 months ended 3/31/2020 is based on purchases of 67,878
and sales of 67,878 Mcf. 0.00%

	Unit	Amount
Total Expected Cost of Purchases (6)		$302,192
/ Mcf Purchases (4)		67,878
= Average Expected Cost Per Mcf Purchased		$4.4520
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		67,878
= Total Expected Gas Cost (to Schedule IA)		$302,192

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

Particulars	Unit	Jan-20	Feb-20	Mar-20
Total Supply Volumes Purchased	Mcf	11,628	10,879	8,902
Total Cost of Volumes Purchased	$	$65,546	$64,379	$38,511
/ Total Sales *	Mcf	11,628	10,879	8,902
= Unit Cost of Gas	$/Mcf	$5.6370	$5.9178	$4.3263
- EGC in Effect for Month	$/Mcf	$4.9606	$4.9606	$4.9606
= Difference	$/Mcf	$0.6764	$0.9572	($0.6343)
x Actual Sales during Month	Mcf	11,628	10,879	8,902
= Monthly Cost Difference	$	$7,865	$10,413	($5,646)

Total Cost Difference	$	$12,632
/ Sales for 12 months ended 3/31/20	Mcf	67,878
= Actual Adjustment for the Reporting Period (to Sch IC)		$0.1861

* May not be less than 95% of supply volume

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended March 31, 2020
Case No. 2019-00075

Line	Particulars		Unit	Amount
		Utility Gas Management		
	(1)	Total cost difference from actual adjustment used to compute AA of the GCR effective four quarters prior to the effective date of		
1		the currently effective GCR.	$	(7,327)
2	Less:	Dollars amount resulting from the AA of (0.0999) $/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 67,878		
3		MCF during the 12 month period the AA was in effect.	$	(6,780.98)
4	Equals:	Balance Adjustment for the AA.	$	(545.57)
	(3)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective		
5		date of the currently effective GCR.	$	-
6	Less:	Dollar amount resulting from the RA of - $/MCF as used to compute the OCR in effect four quarters prior to the effective GCR times the sales of 67,878 MCF		
7		during the 12 month period the RA was in effect.	$	-
8	Equals:	Balance Adjustment for the RA.	$	-
	(3)	Total Balance Adjustment used to compute RA of the GCR effective four		
9		quarters prior to the effective date of the currently effective GCR.	$	741
10	Less:	Dollar amount resulting from the BA of 0.0101 $/MCF four quarters prior to the effective date of the currently effective GCR times the sales of 67,878 MCF during the 12 month		
11		period the BA was in effect.	$	685.56
12	Equals:	Balance Adjustment for the BA.	$	55.31
13		Total Balance Adjustment Amount (1) + (2) + (3)	$	(490.26)
14	Divided E	Sales for 12 months ended 3/31/2020	$	67,878
15	Equals:	Balance Adjustment for the Rep V.P. of Operations	$/MCF	(0.0072)

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

Expected

Month	Greystone		
	MCF	Cost p/mcf	Total
Apr-19	4,072	4.45	18,127
May-19	2,484	4.45	11,061
Jun-19	1,840	4.45	8,190
Jul-19	2,081	4.45	9,266
Aug-19	1,764	4.45	7,854
Sep-19	1,635	4.45	7,279
Oct-19	3,300	4.45	14,690
Nov-19	8,523	4.45	37,944
Dec-19	10,771	4.45	47,952
Jan-20	11,628	4.45	51,767
Feb-20	10,879	4.45	48,433
Mar-20	8,902	4.45	39,630
	67,878		302,192

NYMEX Strip	2.21
Greystone	1.50
Citigas	0.74
Total Price	4.45

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

INVOICE

Date: February 1, 2020

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

SALES MONTH: January-20

Invoiced from Greystone, LLC		$30,749.36
MCFs		9,022.70
Marketing fee @ $0.682/mcf		$7,055.75
Total amount due for Greystone purchase		$37,805.11
XXXXXXXXX XXXXXXX XXXXXXXXXX	XXXXXXX XXXXXXX XXXXXXX XXXXXXX XXXXXXXXXXXXXXX XXXXXXXXX	
Invoiced from Citizens Gas Utility District		$21,983.40
MCFs		2,605.00
Transportation @ .25/mcf		$651.25
Marketing fee @ $1.96/mcf		$5,105.80
Total amount due for Citizens purchase		$27,740.45
Total MCFs Sold		11,627.70 per Citipower reports
Total due for month		$65,545.56

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

INVOICE

Date: March 1, 2020

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

SALES MONTH: February-20

Invoiced from Greystone, LLC	$22,723.60
MCFs	7,266.90
Marketing fee @ $0.625/mcf	$4,541.81
Total amount due for Greystone purchase	$27,265.41

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Invoiced from Citizens Gas Utility District	$29,131.20
MCFs	3,612.00
Transportation @ .25/mcf	$903.00
Marketing fee @ $1.96/mcf	$7,079.52
Total amount due for Citizens purchase	$37,113.72

Total MCFs Sold	10,878.90	per Citipower reports
Total due for month	$64,379.13	

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

INVOICE

Date: April 1, 2020

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

SALES MONTH: March-20

Invoiced from Greystone, LLC	$24,607.00
MCFs	8,012.70
Marketing fee @ $0.614/mcf	$4,919.80
Total amount due for Greystone purchase	$29,526.80

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Invoiced from Citizens Gas Utility District	$7,020.00
MCFs	889.00
Transportation @ .25/mcf	$222.25
Marketing fee @ $1.96/mcf	$1,742.44
Total amount due for Citizens purchase	$8,984.69

Total MCFs Sold	8,901.70	per Citipower reports
Total due for month	$38,511.49	

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

INVOICE 051820.17 5.18.2020

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
9,022.7 Mcf	January, 2020 Gas Supply - Citipower	$3.408	$30,749.36
7,266.9 Mcf	February, 2020 Gas Supply – Citipower	$3.127	$22,723.60
8,012.7 Mcf	March, 2020 Gas Supply - Citipower	$3.071	$24,607.00

TOTAL	$78,079.96
TOTAL DUE 05.30.20	

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
FEB 14 2020

Invoice

Date: FEBRUARY 5, 2020

Number: 120-CitiGas

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

Due: FEBRUARY 29, 2020

Quantity	Description	Unit Price	Amount
	JANUARY 2020 DELIVERIES		
	Isham Road Compressor: 3,105 DTH $ 7.08		$ 21,983.40
	(2,605 MCF * 1.192 BTU = 3,105 DTH)		
	(TGP – 500 Leg Index for January 2020 plus $5.00)		
		TOTAL DUE	**$ 21,983.40**

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
MAR 12 2020

Invoice

Date: MARCH 3, 2020

Number: 220-CitiGas

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

Due: MARCH 31, 2020

Quantity	Description	Unit Price	Amount
	FEBRUARY 2020 DELIVERIES		
	Isham Road Compressor: 4,284 DTH $ 6.80		$ 29,131.20
	(3,612 MCF * 1.186 BTU = 4,284 DTH)		
	(TGP – 500 Leg Index for February 2020 plus $5.00)		
		TOTAL DUE	**$ 29,131.20**

RECEIVED
APR 14 2020

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: APRIL 8, 2020

Number: 320-CitiGas

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

Due: APRIL 30, 2020

Quantity	Description	Unit Price	Amount
	MARCH 2020 DELIVERIES		
	Isham Road Compressor: 1,040 DTH $ 6.75		$ 7,020.00
	(889 MCF * 1.170 BTU = 1,040 DTH)		
	(TGP – 500 Leg Index for February 2020 plus $5.00)		
		TOTAL DUE	**$ 7,020.00**

EXHIBIT A
FOR IMMEDIATE DELIVERY

GREYSTONE, LLC	Date: March 11, 2020 Transaction Confirmation #031120CE

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated February 8, 2019. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.

SELLER:	BUYER:
Greystone, LLC	Citigas, LLC
600 The Grange Lane	2309 Cone Blvd., Suite 200
Lexington, KY 40511	Greensboro, NC 27408
Attn: David Rudder	Attn: Adam Forsberg
Phone: (859) 321-1500	Phone: (336) 379-0800
Fax:	Fax:
Base Contract No.	Base Contract No.
Transporter:	Transporter:
Transporter Contract Number:	Transporter Contract Number:

Contract Price: $2.21 (100% 9-Month NYMEX Strip Pricing) plus $1.50/Mcf for volumes demanded by Citipower, LLC that originate from sources other than Citizens Gas Utility

Delivery Period: Begin: April 1, 2020 End: December 31, 2020

Performance Obligation and Contract Quantity: (Select One)

Firm (Fixed Quantity):	Firm (Variable Quantity):	Interruptible:
_____ Mcf/day	_____ Mcf/day Minimum	Up to 300 Mcf/day
☐ EFP	_____ Mcf/day Maximum	
	subject to Section 4.2. at election of	
	☐ Buyer or ☐ Seller	

Delivery Point(s): Citipower, LLC Distribution Lines – McCreary and Whitley Counties, KY
(If a pooling point is used, list a specific geographic and pipeline location):

Special Conditions:

This Agreement can be terminated by either Party upon sixty (60) days written notice.

Seller: GREYSTONE, LLC	Buyer: CITIGAS, LLC
By:	By:
Title: Manager Marketing	Title: Controller
Date: 3/12/20	Date: 3/12/20