

Peoples Gas KY LLC

Summary of Proposed Tariff Rates

	<u>Current Tariff Rate</u>	<u>Current GCR Rate</u>	<u>Proposed GCR Rate</u>	<u>Difference</u>	<u>Proposed Tariff Rate</u>
	(1)	(2)	(3)	(4)	(5)
	\$/Mcf	\$/Mcf	\$/Mcf	\$/Mcf	\$/Mcf
	(a)	(b)		(3) - (2)	(1) + (4)
All MCF	3.9731	1.8409	2.1010	0.2601	4.2332

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

(b) Rate approved by the Commission at Case No. 2020-00093.

Peoples Gas KY LLC

Summary of Gas Cost Recovery Rate
Proposed to Become Effective for the
Period August 1, 2020 through October 31, 2020

Line No.	Units (1)	Amount (2)	
<u>GCR Components</u>			
1	\$/Mcf	2.4533	
2	\$/Mcf	0.0000	
3	\$/Mcf	(0.4097)	
4	\$/Mcf	0.0574	
5	\$/Mcf	2.1010	
			(EGC + RA + ACA + BA)
 <u>Expected Gas Cost Calculation (EGC)</u>			
6	\$	518,669	(a)
7	Mcf	211,413	(b)
8	\$/Mcf	2.4533	
			(Line 6 ÷ Line 7)
 <u>Supplier Refund Adjustment Summary</u>			
9	\$/Mcf	0.0000	(c)
10	\$/Mcf	0.0000	(d)
11	\$/Mcf	0.0000	(e)
12	\$/Mcf	0.0000	(f)
13	\$/Mcf	0.0000	
 <u>Actual Cost Adjustment Summary</u>			
14	\$/Mcf	0.0875	(g)
15	\$/Mcf	(0.4619)	(d)
16	\$/Mcf	(0.1477)	(e)
17	\$/Mcf	0.1124	(f)
18	\$/Mcf	(0.4097)	
 <u>Balance Adjustment Summary</u>			
19	\$/Mcf	0.0049	(h)
20	\$/Mcf	(0.0018)	(d)
21	\$/Mcf	0.0156	(e)
22	\$/Mcf	0.0387	(f)
23	\$/Mcf	0.0574	

(a) See Schedule 2.

(b) See Schedule 3.

(c) No supplier refunds were received during November 2019 through January 2020.

(d) As approved in Case No. 2020-00093.

(e) As approved in Case No. 2019-00455.

(f) As approved in Case No. 2019-00341.

(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 2020 At Supplier
Costs Estimated to Become Effective August 1, 2020

	<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 2019	11,750	14,394	2.2326	32,135
2 June	5,723	7,011	2.2326	15,652
3 July	3,763	4,610	2.2326	10,292
4 August	3,490	4,275	2.2326	9,545
5 September	3,146	3,854	2.2326	8,604
6 October	3,549	4,348	2.2326	9,706
7 November	12,026	14,732	2.2326	32,890
8 December	29,743	36,435	2.2326	81,345
9 January 2020	33,284	40,773	2.2326	91,030
10 February	34,108	41,782	2.2326	93,283
11 March	31,873	39,044	2.2326	87,171
12 April 2020	17,191	21,059	2.2326	47,016
13 Total	<u>189,646</u>	<u>232,316</u>	<u>-</u>	<u>518,669</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.

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Summary of Normalized Sales

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Normalized</u> <u>Sales</u> <u>(1)</u> <u>Mcf</u>
1	May	10,900
2	June	3,534
3	July	3,633
4	August	3,620
5	September	3,503
6	October	3,521
7	November	10,082
8	December	35,694
9	January	40,988
10	February	39,759
11	March	43,421
12	April	12,758
13	Total	<u>211,413</u>

Peoples Gas KY LLC

Calculation of Actual Cost Adjustment for the Period
February 2020 through April 2020

<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	34,109	31,874	17,191	83,174
2 Supply Cost Per Books	\$	102,093	96,301	46,933	245,327
3 Sales Volume	Mcf	31,531	19,842	15,731	67,104
4 EGC Revenue	\$	106,626	67,098	53,113	226,836
5 Over/(Under) Recovery (Line 5 - Line 2)	\$	4,533	(29,203)	6,179	(18,491)
6 Total Current Quarter Actual Cost to be included in rates					(18,491)
7 Normalized Sales					211,413
8 Current Quarter Actual Cost Adjustment (ACA) (Line 7 ÷ Line 8)					0.0875

1/ April 2020 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 2019

	<u>Sales</u>	<u>ACA Recovery</u>	<u>Over/(Under) Collection Balance</u>
	(1)	(2)	(3)
	Mcf	\$	\$
Balance Approved by the Commission in Case No. 2019-00088.			6,069
<u>Actual</u>			
May 2019	3,140	(1,531)	4,538
June	5,723	(86)	4,452
July	6,292	(111)	4,341
August	961	(111)	4,230
September	3,146	(95)	4,135
October	11,793	(249)	3,887
November	3,782	(788)	3,099
December	29,743	(925)	2,174
January 2020	58,411	(1,155)	1,019
February	8,981	(965)	54
March	31,873	(607)	(553)
April 2020	30,498	(481)	(1,035)
Total	<u>194,343</u>	<u>(7,104)</u>	

Normalized Sales 211,413 Mcf

Balancing Adjustment \$0.0049 /Mcf
 (\$1,035) ÷ 211,413 Mcf

Peoples Gas KY

Calculation of Average Rate on Schedule 2 (August 2020 Quarterly Filing)

Line No.		<u>Nymex</u> (1)	<u>TCO Basis</u> (2)	<u>Total</u> (3) = (1 + 2)
1	August 2020	(See attachment) \$ 1.701	\$ (0.320)	\$ 1.381
2	September	(See attachment) \$ 1.756	\$ (0.442)	\$ 1.314
3	October	(See attachment) \$ 1.868	\$ (0.538)	<u>\$ 1.330</u>
4	Total	(Sum Lines 1-3)		\$ 4.025
5	Estimated 3 month average	(Line 4 / 3)		\$ 1.342
6	Retainage 11%	(Line 5 / (1-0.11))		\$ 1.5075
7	VTS Rate			\$ 0.7251
8	Projected Average Rate on Schedule 2 (August 2020 Quarterly Filing)	(Line 6 + Line 7)		<u>\$ 2.2326</u>

NATURAL GAS FUTURES

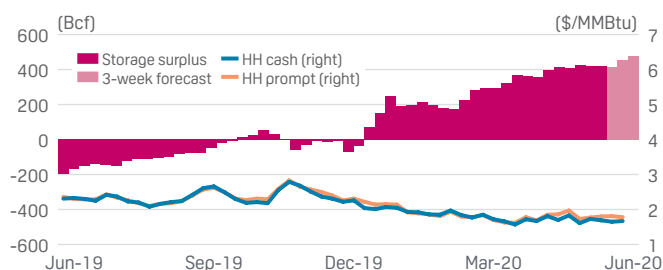
NYMEX PROMPT MONTH FUTURES CONTINUATION



Note: The entire wick of the candlestick depicts the high and low daily front-month Henry Hub futures price range. The body of the candlestick depicts the price range between the open and close, with a red candlestick indicating a close on the downside and a green candlestick indicating a close on the high end.

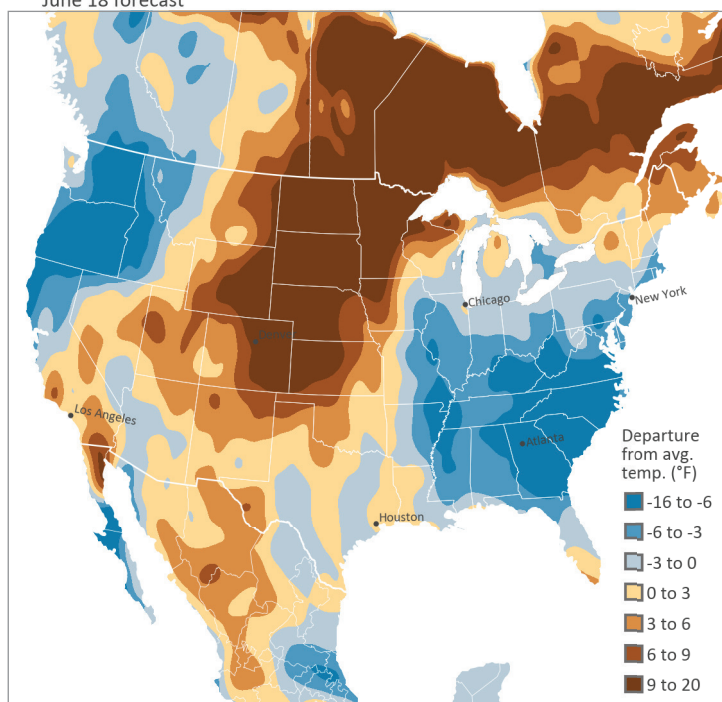
Source: S&P Global Platts

US GAS STORAGE SURPLUS vs ROLLING 5-YEAR AVERAGE



2-DAY-AHEAD TEMPERATURE DEVIATION FORECAST

June 18 forecast



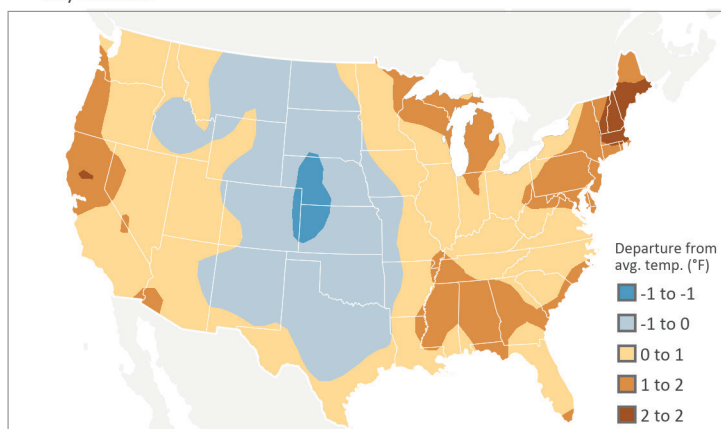
Source: S&P Global Platts, Custom Weather

NYMEX HENRY HUB GAS FUTURES CONTRACT CLOSINGS, JUN 16

	Platts Symbol	High	Low	Close	Change	Previous Day's Volume	Previous Day's Open Interest
Jul 2020	MNNG001	1.685	1.597	1.614	-0.055	73523	164,092
Aug 2020	MNNG002	1.774	1.692	1.701	-0.059	33715	175,109
Sep 2020	MNNG003	1.825	1.751	1.756	-0.058	7194	179,416
Oct 2020	MNNG004	1.925	1.861	1.868	-0.049	7264	114,080
Nov 2020	MNNG005	2.322	2.269	2.286	-0.027	1590	53,303
Dec 2020	MNNG006	2.810	2.766	2.787	-0.014	3255	62,840
Jan 2021	MNNG007	2.949	2.908	2.928	-0.013	4669	110,424
Feb 2021	MNNG008	2.915	2.876	2.897	-0.012	839	38,557
Mar 2021	MNNG009	2.806	2.769	2.787	-0.012	1426	77,645
Apr 2021	MNNG010	2.512	2.480	2.495	-0.006	2281	68,983
May 2021	MNNG011	2.477	2.453	2.466	-0.005	647	25,762
Jun 2021	MNNG012	2.505	2.488	2.500	-0.002	371	17,729
Jul 2021	MNNG013	2.544	2.529	2.539	-0.001	116	14,997
Aug 2021	MNNG014	2.556	2.539	2.547	-0.001	401	11,321
Sep 2021	MNNG015	2.542	2.521	2.531	-0.001	198	13,827
Oct 2021	MNNG016	2.560	2.540	2.549	-0.001	1143	31,623
Nov 2021	MNNG017	2.607	2.589	2.595	0.000	64	18,651
Dec 2021	MNNG018	2.741	2.720	2.728	0.000	76	15,597
Jan 2022	MNNG019	2.837	2.824	2.831	0.000	133	11,843
Feb 2022	MNNG020	2.794	2.785	2.792	0.002	9	8,256
Mar 2022	MNNG021	2.652	2.648	2.649	0.000	309	15,362
Apr 2022	MNNG022	2.300	2.294	2.294	-0.004	17	11,112
May 2022	MNNG023	2.270	2.259	2.260	-0.004	0	4,765
Jun 2022	MNNG024	2.318	2.299	2.299	-0.003	0	2,013
Jul 2022	MNNG025	2.337	2.337	2.337	-0.003	0	1,791
Aug 2022	MNNG026	2.347	2.347	2.347	-0.002	0	1,249
Sep 2022	MNNG027	2.331	2.331	2.331	-0.002	0	1,322
Oct 2022	MNNG028	2.349	2.349	2.349	-0.001	0	1,854
Nov 2022	MNNG029	2.413	2.413	2.413	-0.001	0	1,367
Dec 2022	MNNG030	2.580	2.580	2.580	0.000	0	1,269
Jan 2023	MNNG031	2.700	2.695	2.700	0.000	0	2,506
Feb 2023	MNNG032	2.665	2.663	2.665	0.002	0	519
Mar 2023	MNNG033	2.529	2.529	2.529	-0.001	0	929
Apr 2023	MNNG034	2.250	2.250	2.250	-0.005	0	2,095
May 2023	MNNG035	2.580	2.580	2.217	-0.003	0	380
Jun 2023	MNNG036	2.252	2.252	2.252	-0.004	0	178
Total	MNNG000					454,772	1,268,113

MONTH-AHEAD TEMPERATURE DEVIATION FORECAST

July forecast



Source: S&P Global Platts, Custom Weather



FUTURES

Trade Date: **Wednesday, 17 Jun 2020 (Final)**

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MONTH	OPEN	HIGH	LOW	LAST	CHANGE	SETTLE	ESTIMATED VOLUME	PRIOR DAY OPEN INTEREST
JLY 20	-	-	-	-	+ .0030	- .2480	0	124
AUG 20	-	-	-	-	- .0040	- .3200	0	124
SEP 20	-	-	-	-	+ .0010	- .4420	0	120
OCT 20	-	-	-	-	- .0040	- .5380	0	124