

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	4.2332	2.1010	3.8796	1.7786	6.0118

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

(b) Rate approved by the Commission at Case No. 2020-00186.

Peoples Gas KY LLC

Summary of Gas Cost Recovery Rate
Proposed to Become Effective for the
Period November 1, 2020 through January 31, 2021

Line No.	<u>Units</u> (1)	<u>Amount</u> (2)	
<u>GCR Components</u>			
1	\$/Mcf	4.2779	
2	\$/Mcf	0.0000	
3	\$/Mcf	(0.3981)	
4	\$/Mcf	(0.0002)	
5	\$/Mcf	<u>3.8796</u>	
			(EGC + RA + ACA + BA)
 <u>Expected Gas Cost Calculation (EGC)</u>			
6	\$	912,647	(a)
7	Mcf	<u>213,338</u>	(b)
8	\$/Mcf	<u>4.2779</u>	
			(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	<u>0.0000</u>	(f)
13	\$/Mcf	<u>0.0000</u>	
 <u>Actual Cost Adjustment Summary</u>			
14	\$/Mcf	0.1240	(g)
15	\$/Mcf	0.0875	(d)
16	\$/Mcf	(0.4619)	(e)
17	\$/Mcf	(0.1477)	(f)
18	\$/Mcf	<u>(0.3981)</u>	
 <u>Balance Adjustment Summary</u>			
19	\$/Mcf	(0.0189)	(h)
20	\$/Mcf	0.0049	(d)
21	\$/Mcf	(0.0018)	(e)
22	\$/Mcf	0.0156	(f)
23	\$/Mcf	<u>(0.0002)</u>	

(a) See Schedule 2.

(b) See Schedule 3.

(c) No supplier refunds were received during May 2020 through July 2020.

(d) As approved in Case No. 2020-00186.

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

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

(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 July 2020 At Supplier
Costs Estimated to Become Effective November 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 August 2019	3,490	4,275	3.7223	15,914
2 September	3,146	3,854	3.7223	14,345
3 October	3,549	4,348	3.7223	16,183
4 November	12,026	14,732	3.7223	54,836
5 December	29,743	36,435	3.7223	135,623
6 January 2020	33,284	40,773	3.7223	151,769
7 February	34,108	41,782	3.7223	155,526
8 March	31,873	39,044	3.7223	145,335
9 April	17,191	21,059	3.7223	78,388
10 May	17,038	20,872	3.7223	77,690
11 June	9,331	11,430	3.7223	42,548
12 July	5,371	6,579	3.7223	24,491
13 Total	<u>200,150</u>	<u>245,184</u>	<u>-</u>	<u>912,647</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>Month</u>	<u>Normalized</u>
<u>No.</u>		<u>Sales</u>
		(1)
		Mcf
1	August	4,391
2	September	4,249
3	October	3,329
4	November	10,256
5	December	35,514
6	January	40,783
7	February	39,629
8	March	43,099
9	April	13,006
10	May	10,288
11	June	4,323
12	July	4,470
13	Total	<u>213,338</u>

Peoples Gas KY LLC

Calculation of Actual Cost Adjustment for the Period
May 2020 through July 2020

<u>Description</u>	<u>Unit</u>	<u>May</u>	<u>June</u>	<u>July 1/</u>	<u>Total</u>
	(1)	(2)	(3)	(4)	(5)
1 Supply Volume Per Invoice	Mcf	17,039	9,233	5,371	31,643
2 Supply Cost Per Books	\$	52,358	26,890	13,400	92,647
3 Sales Volume	Mcf	12,155	6,850	5,420	24,425
4 EGC Revenue	\$	34,892	17,405	13,898	66,195
5 Over/(Under) Recovery (Line 5 - Line 2)	\$	(17,466)	(9,484)	499	(26,452)
6 Total Current Quarter Actual Cost to be included in rates					(26,452)
7 Normalized Sales					213,338
8 Current Quarter Actual Cost Adjustment (ACA) (Line 7 ÷ Line 8)					0.1240

1/ July 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 August 2019

	Sales	ACA Recovery	Over/(Under) Collection Balance
	(1)	(2)	(3)
	Mcf	\$	\$
Balance Approved by the Commission in Case No. 2019-00194.			63,663
<u>Actual</u>			
August 2019	961	17	63,680
September	3,146	(1,081)	62,599
October	11,793	(2,468)	60,131
November	3,782	(7,795)	52,336
December	29,743	(9,155)	43,181
January 2020	58,411	(11,433)	31,748
February	8,981	(9,548)	22,201
March	31,873	(6,008)	16,192
April	30,498	(4,763)	11,429
May	3,731	(3,680)	7,749
June	9,331	(2,074)	5,674
July	8,083	(1,641)	4,033
Total	<u>200,333</u>	<u>(59,630)</u>	

Normalized Sales 213,338 Mcf

Balancing Adjustment (\$0.0189) /Mcf
4,033 ÷ 213,338 Mcf

Peoples Gas KY

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

Line No.		<u>Nymex</u> (1)	<u>TCO Basis</u> (2)	<u>Total</u> (3) = (1 + 2)
1	November 2020	(See attachment) \$ 2.597	\$ (0.410)	\$ 2.187
2	December	(See attachment) \$ 3.134	\$ (0.305)	\$ 2.829
3	January	(See attachment) \$ 3.264	\$ (0.278)	<u>\$ 2.987</u>
4	Total	(Sum Lines 1-3)		\$ 8.003
5	Estimated 3 month average	(Line 4 / 3)		\$ 2.668
6	Retainage 11%	(Line 5 / (1-0.11))		\$ 2.9972
7	VTS Rate			\$ 0.7251
8	Projected Average Rate on Schedule 2 (November 2020 Quarterly Filing) (Line 6 + Line 7)			<u>\$ 3.7223</u>

NATURAL GAS FUTURES

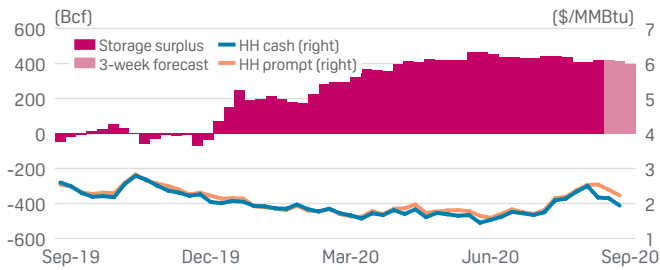
NYMEX PROMPT MONTH FUTURES CONTINUATION



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.

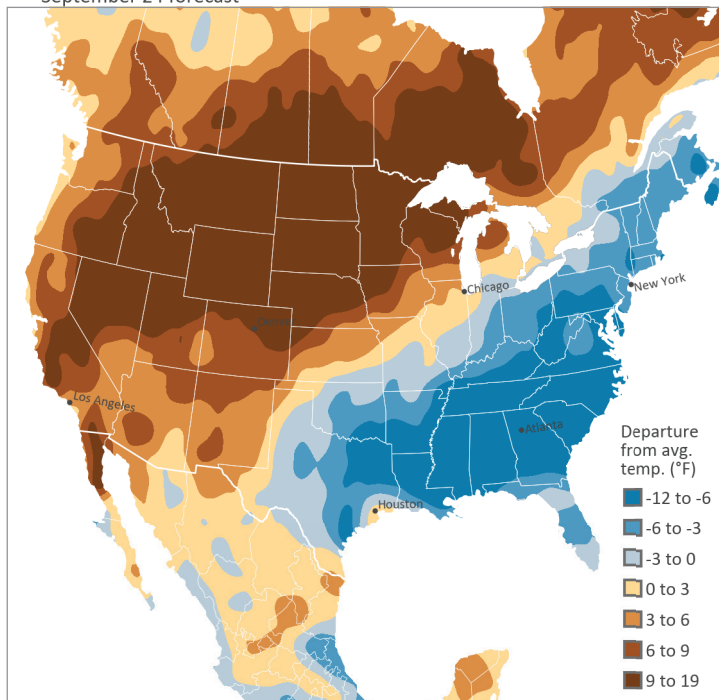
Source: S&P Global Platts

US GAS STORAGE SURPLUS vs ROLLING 5-YEAR AVERAGE



2-DAY-AHEAD TEMPERATURE DEVIATION FORECAST

September 24 forecast



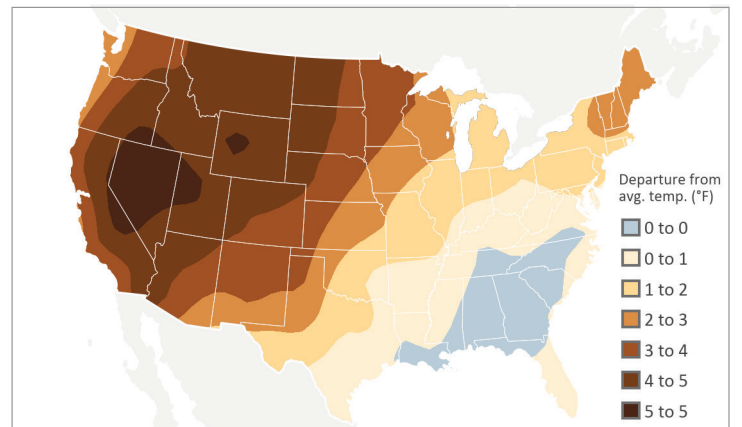
Source: S&P Global Platts, Custom Weather

NYMEX HENRY HUB GAS FUTURES CONTRACT CLOSINGS, SEP 22

	Platts Symbol	High	Low	Close	Change	Previous Day's Volume	Previous Day's Open Interest
Oct 2020	MNNG001	1.897	1.808	1.834	-0.001	135480	0
Nov 2020	MNNG002	2.742	2.561	2.597	-0.113	76888	0
Dec 2020	MNNG003	3.204	3.091	3.134	-0.052	16583	0
Jan 2021	MNNG004	3.329	3.225	3.264	-0.053	12806	0
Feb 2021	MNNG005	3.284	3.186	3.223	-0.049	3398	0
Mar 2021	MNNG006	3.148	3.065	3.099	-0.039	5160	0
Apr 2021	MNNG007	2.806	2.769	2.792	-0.022	6927	0
May 2021	MNNG008	2.761	2.728	2.750	-0.020	1589	0
Jun 2021	MNNG009	2.788	2.754	2.775	-0.019	1530	0
Jul 2021	MNNG010	2.819	2.791	2.812	-0.017	1357	0
Aug 2021	MNNG011	2.840	2.805	2.825	-0.015	592	0
Sep 2021	MNNG012	2.818	2.793	2.813	-0.015	567	0
Oct 2021	MNNG013	2.850	2.824	2.842	-0.014	2059	0
Nov 2021	MNNG014	2.903	2.885	2.900	-0.011	492	0
Dec 2021	MNNG015	3.042	3.028	3.041	-0.010	256	0
Jan 2022	MNNG016	3.146	3.130	3.145	-0.006	428	0
Feb 2022	MNNG017	3.096	3.081	3.096	-0.002	197	0
Mar 2022	MNNG018	2.920	2.906	2.918	-0.001	89	0
Apr 2022	MNNG019	2.479	2.463	2.478	0.003	93	0
May 2022	MNNG020	2.424	2.419	2.423	0.003	15	0
Jun 2022	MNNG021	2.451	2.449	2.449	0.002	1	0
Jul 2022	MNNG022	2.508	2.470	2.480	0.003	155	0
Aug 2022	MNNG023	2.514	2.491	2.491	0.005	80	0
Sep 2022	MNNG024	2.500	2.473	2.480	0.005	80	0
Oct 2022	MNNG025	2.501	2.501	2.501	0.004	55	0
Nov 2022	MNNG026	2.575	2.575	2.575	0.002	0	0
Dec 2022	MNNG027	2.750	2.738	2.750	0.003	100	0
Jan 2023	MNNG028	2.872	2.872	2.872	0.004	0	0
Feb 2023	MNNG029	2.832	2.832	2.832	0.014	0	0
Mar 2023	MNNG030	2.682	2.682	2.682	0.014	0	0
Apr 2023	MNNG031	2.365	2.365	2.365	0.014	0	0
May 2023	MNNG032	2.323	2.323	2.323	0.011	0	0
Jun 2023	MNNG033	2.352	2.352	2.352	0.008	0	0
Jul 2023	MNNG034	2.384	2.384	2.384	0.005	0	0
Aug 2023	MNNG035	2.682	2.682	2.391	0.005	0	0
Sep 2023	MNNG036	2.380	2.380	2.380	0.005	0	0
Total	MNNG000					597,745	1,271,618

MONTH-AHEAD TEMPERATURE DEVIATION FORECAST

October forecast



Source: S&P Global Platts, Custom Weather

Futures Daily Market Report for Financial Gas
23-Sep-2020

COMMODITY NAME	CONTRACT MONTH	DAILY PRICE RANGE				SETTLE		VOLUME AND OI TOTALS						
		OPEN#	HIGH	LOW	CLOSE#	PRICE	CHANGE	TOTAL VOLUME	OI	CHANGE	EFP	EFS	BLOCK VOLUME	SPREAD VOLUME
TCO-TCO Basis Future														
TCO	Oct20	-0.7175	-0.7150	-0.7550	-0.7550	-0.7575	-0.1225	465	11,401	186	0	0	0	0
TCO	Nov20	-0.4000	-0.4000	-0.4200	-0.4200	-0.4100	-0.0125	720	10,723	192	0	0	660	0
TCO	Dec20	-0.3225	-0.3225	-0.3225	-0.3225	-0.3050	-0.0100	713	10,173	209	0	0	682	31
TCO	Jan21					-0.2775	-0.0025	31	10,727	-22	0	0	31	0
TCO	Feb21					-0.2775	-0.0025	0	9,547	0	0	0	0	0
TCO	Mar21					-0.2950	-0.0025	31	10,755	-31	0	0	31	0
TCO	Apr21					-0.2925	-0.0050	0	6,792	0	0	0	0	0
TCO	May21					-0.3575	-0.0050	0	6,090	0	0	0	0	0
TCO	Jun21					-0.3925	-0.0050	0	6,082	0	0	0	0	0
TCO	Jul21					-0.4175	-0.0050	0	6,078	0	0	0	0	0
TCO	Aug21					-0.4500	-0.0050	0	5,733	0	0	0	0	0
TCO	Sep21					-0.5675	-0.0050	0	5,612	0	0	0	0	0
TCO	Oct21					-0.5775	-0.0050	0	5,750	0	0	0	0	0
TCO	Nov21					-0.3350	0.0000	0	6,340	0	0	0	0	0
TCO	Dec21					-0.3050	0.0000	0	6,544	0	0	0	0	0
TCO	Jan22					-0.2900	0.0000	0	4,482	0	0	0	0	0
TCO	Feb22					-0.2850	0.0000	0	4,056	0	0	0	0	0
TCO	Mar22					-0.3200	0.0000	0	4,234	0	0	0	0	0
TCO	Apr22					-0.3250	-0.0050	0	3,258	0	0	0	0	0
TCO	May22					-0.3650	-0.0050	0	3,365	0	0	0	0	0
TCO	Jun22					-0.4050	-0.0050	0	3,258	0	0	0	0	0
TCO	Jul22					-0.4200	-0.0050	0	3,365	0	0	0	0	0
TCO	Aug22					-0.4400	-0.0050	0	3,365	0	0	0	0	0
TCO	Sep22					-0.5150	-0.0050	0	3,258	0	0	0	0	0
TCO	Oct22					-0.5150	-0.0050	0	3,365	0	0	0	0	0