

FOR ENTIRE AREA SERVED  
KENTUCKY FRONTIER GAS, LLC

P.S.C. KY. NO. 1

Original SHEET NO. 1

Kentucky Frontier Gas, LLC  
(Name of Utility)

CANCELING P.S. KY.NO.

SHEET NO. \_\_\_\_\_

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RATES AND CHARGES

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APPLICABLE: Entire area served

Frontier Residential and Small Commercial

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 13.0000		\$ 13.0000
ALL CCF	\$ 0.42200	\$ 0.50311	\$ 0.92511

Frontier Large Commercial

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 50.0000		\$ 50.0000
ALL CCF	\$ 0.34454	\$ 0.50311	\$ 0.84765

Daysboro Residential

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 10.7100		\$ 10.7100
ALL CCF	\$ 0.45000	\$ 0.50311	\$ 0.95311

Daysboro Commercial

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 12.7500		\$ 12.7500
ALL CCF	\$ 0.85700	\$ 0.50311	\$ 1.36011

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DATE OF ISSUE October 12, 2020  
Month/Date/Year

DATE EFFECTIVE November 1, 2020

ISSUED BY 

TITLE Agent

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

KFG UNIFIED GAS COST RECOVERY RATE

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>	
Expected Gas Cost (EGC)	\$/Mcf	\$	5.4423
+ Refund Adjustment (RA)	\$/Mcf	\$	-
+ Actual Adjustment (AA)	\$/Mcf	\$	(0.5376)
+ Balance Adjustment (BA)	\$/Mcf	\$	0.1263
= Gas Cost Recovery Rate (GCR)		\$	5.0311

40.96537

GCR to be effective for service rendered from: November 1, 2020

A	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$ 1,955,698
/	Sales for the 12 months ended July 31, 2020	Mcf	359,351
=	Expected Gas Cost (EGC)	\$/Mcf	\$ 5.4423

B	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch. III)		\$ -
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
=	Refund Adjustment (RA)	\$/Mcf	\$ -

C	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>(Revised</u>	<u>Amount</u>
	Actual Adjustment for the <b>Current</b> Reporting Period (Sch. IV)	\$/Mcf	\$ (0.0136)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.2372)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.2083)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0785)
=	Actual Adjustment (AA)	\$/Mcf	\$ (0.5376)

D	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Sch. V)	\$/Mcf	\$ 0.1046
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.0425
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0082)
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0126)
=	Balance Adjustment (BA)	\$/Mcf	\$ 0.1263

**Kentucky Frontier Gas, LLC - Unified**

SCHEDULE II  
EXPECTED GAS COST

APPENDIX B

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MCF Purchases for 12 months ended:

July 31, 2020

Supplier	5% LIMITER Dth	Btu Factor	Mcf	Rate	(4) x (5) Cost
Columbia (Goble Roberts, Peoples)		N/A	10,037	\$ 4.0810	\$40,959
Cumberland Valley (Auxier)		1.1000	87,877	\$ 2.8573	\$251,087
Cumberland Valley (Sigma) includes \$1.25/Mcf DLR trans		1.1000	3,151	\$ 4.1073	\$12,942
Diversified Energy (39-E, 181-S)		1.2917	250	\$ 3.6942	\$924
** HI-Energy		1.0031	7,659	\$ 4.0124	\$30,729
** HTC (Sigma) includes \$1.25/Mcf DLR trans		1.0758	4,711	\$ 5.5532	\$26,161
Jefferson (Sigma) rate includes \$1.25/Mcf DLR trans		1.1184	0	\$ 10.0784	\$0
Jefferson (Public and Daysboro)		1.1184	115,580	\$ 8.8284	\$1,020,388
Magnum Drilling, Inc.		N/A	2,998	\$ 10.5000	\$31,475
Nytis (Auxier)		1.0962	7,295	\$ 2.3503	\$17,145
Nytis (Sigma) includes \$1.25/Mcf DLR trans		1.0962	15,316	\$ 3.1302	\$47,942
Quality (Belfry)		1.2004	41,224	\$ 2.6937	\$111,044
** Slone Energy		0.9920	0	\$ 3.9680	\$0
Southern Energy (EQU, MLG, Price)		1.2776	59,180	\$ 4.2084	\$249,053
Southern Energy (Sigma) includes \$1.25/Mcf DLR trans		1.2776	25,248	\$ 5.4584	\$137,814
** Spirit		1.1178	10,291	\$ 4.4712	\$46,014
** Tacket		1.0745	3,540	\$ 4.2980	\$15,215
<b>Totals</b>			<b>394,355</b>	<b>\$ 5.1702</b>	<b>\$2,038,892</b>

Line loss 12 months ended: and sales of	<u>Jul-20</u> <u>359,351</u>	based on purchases of Mcf.	<u>394,355</u> <u>8.9%</u>	Mcf L&U	Unit	Amount
Total Expected Cost of Purchases (6)					\$	\$ 2,038,892
/ Mcf Purchases (4)					Mcf	394,355
= Average Expected Cost Per Mcf Purchased					\$/Mcf	\$ 5.1702
x Allowable Mcf Purchases (5% Limiter)					Mcf	378,264
= Total Expected Gas Cost (to Schedule 1A)					\$	\$ 1,955,698

Estimated Avg TCo for Nov, Dec, Jan = \$3.023/Dth (NYMEX Avg + \$-0.879/Dth (TCo Appal Basis) = **\$2.1440/Dth**

Diversified = \$2.1440/Dth (TCo) + \$0.3002 (14% Fuel) + \$1.05 (Commodity) + \$0.20 (Demand) = **\$3.6942/Dth**

Jefferson contract = \$2.1440/Dth (TCo) + \$5.75/Dth cost factor = **\$7.894/Dth**

CVR = \$2.1440 (TCo) + \$0.0428/Dth (1.996% Fuel) + \$0.0190/Dth Commodity + \$0.3417/Dth (TCo Demand) + \$0.05/Dth CVR Fee = **\$2.5975/Dth**

HI-Energy, HTC, Spirit, Tacket contract = **\$4.00/Dth** or 80% of TCo, whichever is greater

Magnum Drilling contract = **\$10.50/Mcf**

Nytis (Auxier) = **\$2.1440/Dth** (TCo)

Nytis (Sigma) = \$2.1440/Dth (TCo) x .8 = **\$1.7152/Dth**

Slone contract = **\$4.00/Dth**

Southern Energy = \$2.1440/Dth (TCo) + \$1.1500/Dth = **\$3.2940/Dth**

Quality (Belfry) = \$2.1440/Dth (TCo) + \$0.10 = **\$2.2440/Dth**

DLR Trans for Cow Creek (Sigma) = \$1.25/Mcf on volumes from CVR, EQT, HTC, ING, Jefferson, Nytis, Plateau, Southern Energy

\* Estimated 3 mo. TCo = \$2.1440/Dth x .8 = \$1.7152/Dth < \$4.50/Dth; **\$4.50/Dth**

\*\* Estimated 3 mo. TCo = \$2.1440/Dth x .8 = \$1.7152/Dth < \$4.00/Dth; **\$4.00/Dth**

\*\*\* Estimated 3 mo. TCo = \$2.1440/Dth x .8 = \$1.7152/Dth < \$3.00/Dth; **\$3.00/Dth**

**KFG Unified**Schedule IV  
Actual Adjustment

For the 3 month period ending:

July 31, 2020

<u>Particulars</u>	<u>Unit</u>	5% LIMITER			
		<u>May-20</u>	<u>Jun-20</u>	<u>Jul-20</u>	
Total Supply Volumes Purchased	Mcf	20,519	9,500	9,434	
Total Cost of Volumes Purchased	\$	\$ 70,094	\$ 41,731	\$ 32,868	
(divide by) Total Sales (5% Limiter)	Mcf	19,493	9,025	8,962	
(equals) Unit Cost of Gas	\$/Mcf	\$ 3.5958	\$ 4.6239	\$ 3.6674	37.75133119
(minus) EGC in effect for month	\$/Mcf	\$ 3.9988	\$ 3.9988	\$ 3.9988	
(equals) Difference	\$/Mcf	\$ (0.4030)	\$ 0.6251	\$ (0.3314)	
(times) Actual sales during month	Mcf	19,986	8,812	7,031	
(equals) Monthly cost difference	\$	\$ (8,053)	\$ 5,509	\$ (2,330)	

	<u>Unit</u>	<u>Amount</u>
Total cost difference for the 12 months ended July 31, 2020	\$	\$ (4,875.11)
(divide by) Sales for 12 months ended July 31, 2020	Mcf	359,351
(equals) Actual Adjustment for the Reporting Period	\$	(0.0136)
(plus) Over-recovery component from collections through expired AAs	\$	-
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)	\$	(0.0136)

SCHEDULE V  
BALANCE ADJUSTMENT  
For the Effective Date November 1, 2020

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total cost difference used to compute AA of the GCR effective 4 quarters prior to the effective date of the currently effective GCR	\$	\$ (87,881)
<b>Less:</b> Dollar amount resulting from the AA of _____ (0.3492) \$/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 _____ <b>359,351</b> Mcf during the 12 month period the AA was in effect	\$	\$1 <u>(\$125,485)</u>
<b>Equals:</b> Balance Adjustment of the AA	\$	<u><u>\$37,604</u></u>
Total supplier refund adjustment including interest used to compute RA of the GCR effective 4 quarters prior to the effective date of the currently effective GCR	\$	\$0
<b>Less:</b> Dollar amount resulting from the RA of _____ \$/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 _____ Mcf during the 12 month period the RA was in effect	\$	<u>\$0</u>
<b>Equals:</b> Balance Adjustment of the RA	\$	<u><u>\$0</u></u>
Total balance adjustment used to compute BA of the GCR effective 4 quarters prior to the effective date of the currently effective GCR	\$	
<b>Less:</b> Dollar amount resulting from the BA of _____ \$/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 _____ Mcf during the 12 month period the BA was in effect	\$	<u>\$0</u>
<b>Equals:</b> Balance Adjustment of the BA	\$	<u><u>\$0</u></u>
Total Balance Adjustment Amount (1) + (2) + (3)	\$	\$37,604
<b>Divide:</b> Sales for 12 months ended January, 2020	Mcf	<u>359,351</u>
<b>Equals:</b> Balance Adjustment for the reporting period (to Schedule I, part D)	\$/Mcf	<u><u>\$0.1046</u></u>