

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

**THE JOINT ELECTRONIC)
APPLICATION OF NAVITAS)
KY NG, LLC, JOHNSON)
COUNTY GAS COMPANY,)
AND B&H GAS SYSTEM)
FOR APPROVAL OF)
ACQUISITION, TRANSFER)
OF OWNERSHIP, AND)
CONTROL OF NATURAL)
GAS UTILITY SYSTEMS)**

CASE NO. 2020-00396

**NAVITAS KY NG, LLC, JOHNSON COUNTY GAS COMPANY, AND
B&H GAS SYSTEM'S RESPONSE TO COMMISSION'S
POST-HEARING REQUEST FOR INFORMATION**

1. Refer to the Gas Purchase Agreement between Hall Stephens and Hall and Navitas KY.
Clarify which NYMEX index is indicated in the gas contract formula provided of NYMEX plus \$2.00.

RESPONSE OF THOMAS HARTLINE:

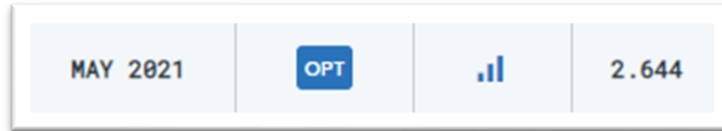
Month ahead NYMEX¹, plus \$2.00, multiplied by volume.

For example, for April 2021, where the volume of gas purchased from Hall, Stevens, Hall is 647 MMBtu², and the month ahead NYMEX is \$2.644, the formula would read:

$$(\$2.644 + \$2.00) * 647 \text{ MMBtu} = \$3,004.668$$

¹ https://www.cmegroup.com/trading/energy/natural-gas/natural-gas_quotes_globex.html#

² 647 MMBtu was the volume purchased from Hall, Stevens, Hall to Johnson County Gas in April 2020.



Month ahead NYMEX for April 2021

- Using the Gas Purchase Agreements between Hall Stephens and Hall and B&S Oil and Gas and Navitas KY, based on the most current gas cost information available, provide an example calculation for each company showing how the parties intend the gas from Hall Stephens and Hall and B&S to be priced to Navitas KY.

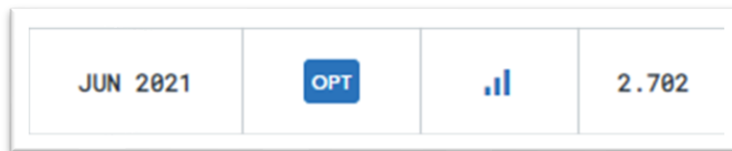
RESPONSE OF THOMAS HARTLINE:

Gas purchased from Hall, Stevens, Hall:

$$(\text{Month ahead NYMEX} + 2.00) * \text{Volume MMBtu}$$

Example: For May 2021, where the volume of gas purchased from Hall, Stevens, Hall is 806 MMBtu³, and the month ahead NYMEX is \$2.702, the formula would read:

$$(\$2.702 + \$2.00) * 806 \text{ MMBtu} = \$3,789.812$$



Month ahead NYMEX for May 2021

³ 806 MMBtu was the volume purchased from Hall, Stevens, Hall to Johnson County Gas in May 2020.

Gas purchased from B&S:

For transport to the B&H City Gate:

$$(\text{PSC Calculation}^4 + 2.00 + 1.36) * \text{Volume MMBtu}$$

Example:

$$(\$5.4947^5 + \$2.00 + \$1.36) * 2000 \text{ MMBtu}^6 = \$17,709.40$$

For transport at the well head:

$$(\text{PSC Calculation}^7 + 2.00) * \text{Volume MMBtu}$$

Example:

$$(\$5.4947^8 + \$2.00) * 2000 \text{ MMBtu}^9 = \$14,989.40$$

3. Provide a copy of any existing maps of the B & H and Johnson County systems.

RESPONSE OF BUD RIFE:

Please find attached maps of the B&H and JCG systems in **Exhibit A**.

4. Provide any materials that document Navitas KY's procedures, including its training and testing materials, for the qualification and certification of meter testers.

RESPONSE OF THOMAS HARTLINE:

Please find attached documentation as found in **Exhibit B**.

⁴ Pursuant to the KY PSC May 4, 2017 Order in Case No. 2015-00367.

⁵ B&H Gas Company's GCA effective January 1, 2021.

⁶ 2000 MMBtu was the volume purchased from B&S to B&H Gas in February 2020.

⁷ Pursuant to the KY PSC May 4, 2017 Order in Case No. 2015-00367.

⁸ B&H Gas Company's GCA effective January 1, 2021.

⁹ 2000 MMBtu was the volume purchased from B&S to B&H Gas in February 2020.

On this the 5 day of April, 2021.

Respectfully submitted,

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Counsel for B&H and JCG

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 5 th day of April, 2021, a true and correct copy of the foregoing instrument was deposited in the United States Mail with postage prepaid, and addressed to the following:

Lindsey Flora
Executive Director
Public Service Commission
Commonwealth of Kentucky
211 Sower Blvd.
Frankfort, KY 40601

J.E.B. Pinney, Esq.
General Counsel
Public Service Commission
Commonwealth of Kentucky
211 Sower Blvd.
Frankfort, KY 40601

Larry Cook
Office of the Attorney General
Rate Intervention
700 Capitol Ave. Suite 20
Frankfort, KY 40601

/s/ Klint W. Alexander
Klint W. Alexander

/s/ Joe F. Childers
Joe F. Childers

VERIFICATION OF NAVITAS KY NG, LLC

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss.

I, Thomas Hartline, Secretary of Navitas KY NG, LLC, being duly sworn according to law, makes oath and affirm that I have read the foregoing documentation, know the contents thereof, and that the same is true and accurate to the best of my knowledge, information and belief.



THOMAS HARTLINE

Subscribed and sworn to me on this the 5TH day of April, 2021, by Thomas Hartline, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Notary Public Signature



Notary Public Seal

