

Peoples Gas KY LLC

Summary of Proposed Tariff Rates

	<u>Current Tariff Rate</u> (1) \$/Mcf (a)	<u>Current GCR Rate</u> (2) \$/Mcf (b)	<u>Proposed GCR Rate</u> (3) \$/Mcf	<u>Difference</u> (4) \$/Mcf (3) - (2)	<u>Proposed Tariff Rate</u> (5) \$/Mcf (1) + (4)
All MCF	6.0118	3.8796	3.4040	(0.4756)	5.5362

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

(b) Rate approved by the Commission at Case No. 2020-00301.

Peoples Gas KY LLC

Summary of Gas Cost Recovery Rate
Proposed to Become Effective for the
Period February 1, 2021 through April 30, 2021

Line No.	<u>Units</u> (1)	<u>Amount</u> (2)	
<u>GCR Components</u>			
1	Expected Gas Cost (EGC)	\$/Mcf	3.6892
2	Supplier Refund (RA)	\$/Mcf	0.0000
3	Actual Cost Adjustment (ACA)	\$/Mcf	(0.2747)
4	Balance Adjustment (BA)	\$/Mcf	(0.0105)
5	Gas Cost Recovery Rate (EGC + RA + ACA + BA)	\$/Mcf	<u>3.4040</u>
 <u>Expected Gas Cost Calculation (EGC)</u>			
6	Total Expected Cost of Gas	\$	786,319 (a)
7	Total Normalized Annual Sales	Mcf	213,141 (b)
8	Expected Gas Cost Rate (EGC) (Line 6 ÷ Line 7)	\$/Mcf	<u>3.6892</u>
 <u>Supplier Refund Adjustment Summary</u>			
9	Current Quarter Refund Adjustment	\$/Mcf	0.0000 (c)
10	Previous Quarter Refund Adjustment	\$/Mcf	0.0000 (d)
11	2nd Previous Quarter Refund Adjustment	\$/Mcf	0.0000 (e)
12	3rd Previous Quarter Refund Adjustment	\$/Mcf	0.0000 (f)
13	Supplier Refund Adjustment (RA)	\$/Mcf	<u>0.0000</u>
 <u>Actual Cost Adjustment Summary</u>			
14	Current Quarter Adjustment	\$/Mcf	(0.0243) (g)
15	Previous Quarter Adjustment	\$/Mcf	0.1240 (d)
16	2nd Previous Quarter Adjustment	\$/Mcf	0.0875 (e)
17	3rd Previous Quarter Adjustment	\$/Mcf	(0.4619) (f)
18	Actual Cost Adjustment (ACA)	\$/Mcf	<u>(0.2747)</u>
 <u>Balance Adjustment Summary</u>			
19	Current Quarter Adjustment	\$/Mcf	0.0053 (h)
20	Previous Quarter Adjustment	\$/Mcf	(0.0189) (d)
21	2nd Previous Quarter Adjustment	\$/Mcf	0.0049 (e)
22	3rd Previous Quarter Adjustment	\$/Mcf	(0.0018) (f)
23	Balance Adjustment (BA)	\$/Mcf	<u>(0.0105)</u>

(a) See Schedule 2.

(b) See Schedule 3.

(c) No supplier refunds were received during August 2020 through October 2020.

(d) As approved in Case No. 2020-00301.

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

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

(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 October 2020 At Supplier
Costs Estimated to Become Effective February 1, 2021

	<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 November 2019	12,026	14,732	3.1830	46,891
2 December	29,743	36,435	3.1830	115,973
3 January 2020	33,284	40,773	3.1830	129,780
4 February	34,108	41,782	3.1830	132,993
5 March	31,873	39,044	3.1830	124,278
6 April	17,191	21,059	3.1830	67,031
7 May	17,038	20,872	3.1830	66,434
8 June	9,331	11,430	3.1830	36,383
9 July	5,371	6,579	3.1830	20,942
10 August	3,568	4,371	3.1830	13,912
11 September	3,215	3,938	3.1830	12,536
12 October 2020	4,915	6,021	3.1830	19,164
13 Total	<u>201,663</u>	<u>247,037</u>	<u>-</u>	<u>786,319</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>No.</u>	<u>Month</u>	<u>Normalized</u> <u>Sales</u> (1) Mcf
1	November	10,257
2	December	35,514
3	January	40,783
4	February	39,628
5	March	43,099
6	April	13,006
7	May	10,289
8	June	4,325
9	July	4,472
10	August	3,733
11	September	3,009
12	October	5,026
13	Total	<u>213,141</u>

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Calculation of Actual Cost Adjustment for the Period
August 2020 through October 2020

<u>Description</u>	<u>Unit</u>	<u>August</u>	<u>September</u>	<u>October 1/</u>	<u>Total</u>
	(1)	(2)	(3)	(4)	(5)
1 Supply Volume Per Invoice	Mcf	3,538	3,155	4,915	11,608
2 Supply Cost Per Books	\$	11,070	10,179	14,093	35,341
3 Sales Volume	Mcf	3,678	3,872	8,927	16,477
4 EGC Revenue	\$	9,150	9,468	21,901	40,519
5 Over/(Under) Recovery (Line 5 - Line 2)	\$	(1,919)	(711)	7,808	5,177
6 Total Current Quarter Actual Cost to be included in rates					5,177
7 Normalized Sales					213,141
8 Current Quarter Actual Cost Adjustment (ACA) (Line 7 ÷ Line 8)					(0.0243)

1/ October 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 November 2019

	<u>Sales</u>	<u>ACA</u> <u>Recovery</u>	<u>Over/(Under)</u> <u>Collection</u> <u>Balance</u>
	(1)	(2)	(3)
	Mcf	\$	\$
Balance Approved by the Commission in Case No. 2019-00341.			(24,506)
<u>Actual</u>			
November 2019	3,782	3,352	(21,154)
December	29,743	3,634	(17,520)
January 2020	58,411	4,243	(13,277)
February	8,981	3,544	(9,733)
March	31,873	2,230	(7,503)
April	30,498	1,768	(5,734)
May	3,731	1,366	(4,368)
June	9,331	770	(3,598)
July	8,083	609	(2,989)
August	856	413	(2,576)
September	3,215	435	(2,140)
October 2020	12,695	1,003	(1,137)
Total	<u>201,199</u>	<u>23,369</u>	

Normalized Sales 213,141 Mcf

Balancing Adjustment \$0.0053 /Mcf
\$1,137 ÷ 213,141 Mcf

Peoples Gas KY

Calculation of Average Rate on Schedule 2 (February 2021 Quarterly Filing)

Line No.		<u>Nymex</u> (1)	<u>TCO Basis</u> (2)	<u>Total</u> (3) = (1 + 2)
1	February 2021	(See attachment) \$ 2.678	\$ (0.503)	\$ 2.176
2	March	(See attachment) \$ 2.660	\$ (0.495)	\$ 2.165
3	April	(See attachment) \$ 2.662	\$ (0.440)	<u>\$ 2.222</u>
4	Total	(Sum Lines 1-3)		\$ 6.563
5	Estimated 3 month average	(Line 4 / 3)		\$ 2.188
6	Retainage 11%	(Line 5 / (1-0.11))		\$ 2.4579
7	VTS Rate			\$ 0.7251
8	Projected Average Rate on Schedule 2 (February 2021 Quarterly Filing) (Line 6 + Line 7)			<u>\$ 3.1830</u>

NATURAL GAS FUTURES

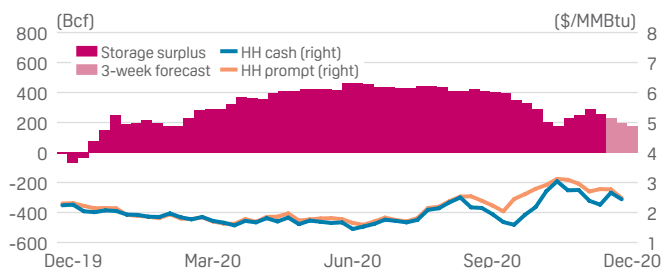
NYMEX PROMPT MONTH FUTURES CONTINUATION



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.

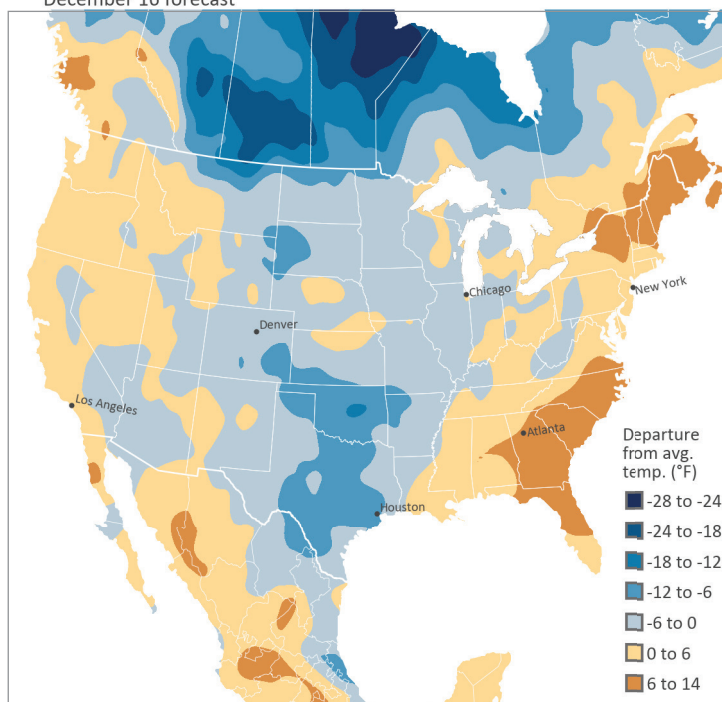
Source: S&P Global Platts

US GAS STORAGE SURPLUS vs ROLLING 5-YEAR AVERAGE



2-DAY-AHEAD TEMPERATURE DEVIATION FORECAST

December 16 forecast



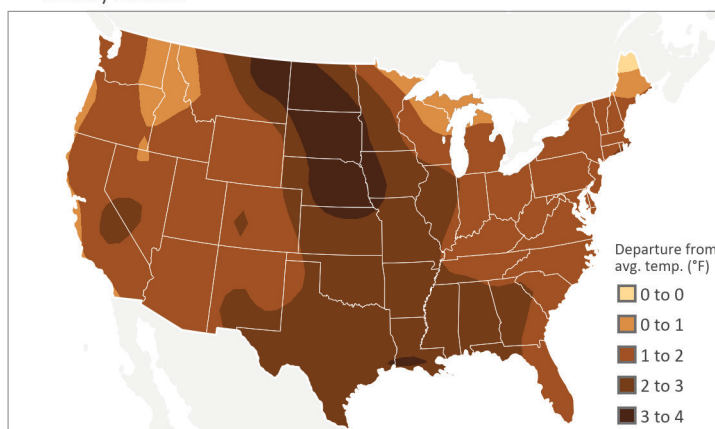
Source: S&P Global Platts, Custom Weather

NYMEX HENRY HUB GAS FUTURES CONTRACT CLOSINGS, DEC 14

	Platts Symbol	High	Low	Close	Change	Previous Day's Volume	Previous Day's Open Interest
Jan 2021	MNNG001	2.708	2.612	2.682	NA	49906	155,246
Feb 2021	MNNG002	2.711	2.613	2.678	NA	9759	148,245
Mar 2021	MNNG003	2.695	2.600	2.660	NA	7202	222,465
Apr 2021	MNNG004	2.687	2.607	2.662	NA	7710	95,666
May 2021	MNNG005	2.699	2.622	2.673	NA	3579	60,866
Jun 2021	MNNG006	2.740	2.667	2.716	NA	4077	37,255
Jul 2021	MNNG007	2.794	2.724	2.770	NA	1617	30,522
Aug 2021	MNNG008	2.815	2.754	2.791	NA	706	27,819
Sep 2021	MNNG009	2.806	2.739	2.782	NA	893	44,878
Oct 2021	MNNG010	2.828	2.761	2.802	NA	3427	88,703
Nov 2021	MNNG011	2.883	2.820	2.858	NA	320	44,659
Dec 2021	MNNG012	3.001	2.946	2.980	NA	393	42,202
Jan 2022	MNNG013	3.102	3.041	3.076	NA	285	39,188
Feb 2022	MNNG014	3.033	2.980	3.011	NA	89	24,609
Mar 2022	MNNG015	2.872	2.830	2.857	NA	122	27,387
Apr 2022	MNNG016	2.486	2.463	2.477	NA	105	24,914
May 2022	MNNG017	2.444	2.419	2.431	NA	35	13,124
Jun 2022	MNNG018	2.456	2.443	2.453	NA	8	6,469
Jul 2022	MNNG019	2.500	2.475	2.484	NA	21	5,800
Aug 2022	MNNG020	2.496	2.479	2.492	NA	11	5,043
Sep 2022	MNNG021	2.485	2.470	2.478	NA	3	4,751
Oct 2022	MNNG022	2.510	2.494	2.502	NA	62	8,355
Nov 2022	MNNG023	2.596	2.577	2.586	NA	61	6,293
Dec 2022	MNNG024	2.765	2.743	2.749	NA	61	6,807
Jan 2023	MNNG025	2.847	2.847	2.847	NA	2	4,495
Feb 2023	MNNG026	2.801	2.801	2.801	NA	1	1,460
Mar 2023	MNNG027	2.656	2.651	2.656	NA	4	2,585
Apr 2023	MNNG028	2.320	2.320	2.320	NA	0	2,221
May 2023	MNNG029	2.286	2.286	2.286	NA	1	665
Jun 2023	MNNG030	2.326	2.326	2.326	NA	0	672
Jul 2023	MNNG031	2.366	2.366	2.366	NA	0	535
Aug 2023	MNNG032	2.375	2.375	2.375	NA	0	385
Sep 2023	MNNG033	2.368	2.368	2.368	NA	0	433
Oct 2023	MNNG034	2.398	2.398	2.398	NA	0	1,292
Nov 2023	MNNG035	2.326	2.326	2.516	NA	0	432
Dec 2023	MNNG036	2.751	2.751	2.751	NA	0	769
Total	MNNG000					346,694	1,193,215

MONTH-AHEAD TEMPERATURE DEVIATION FORECAST

January forecast



Source: S&P Global Platts, Custom Weather

Futures Daily Market Report for Financial Gas
14-Dec-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	Jan21					-0.5000	0.0000	0	13,670	0	0	0	0	0
TCO	Feb21					-0.5025	0.0000	0	11,601	0	0	0	0	0
TCO	Mar21					-0.4950	0.0000	0	12,323	0	0	0	0	0
TCO	Apr21					-0.4400	-0.0050	60	8,900	60	0	0	0	30
TCO	May21					-0.4775	-0.0125	62	7,916	62	0	0	0	31
TCO	Jun21					-0.4950	-0.0125	60	7,820	60	0	0	0	30
TCO	Jul21					-0.5000	-0.0125	62	8,958	62	0	0	0	31
TCO	Aug21					-0.5400	-0.0125	62	7,396	62	0	0	0	31
TCO	Sep21					-0.6875	-0.0125	60	7,290	60	0	0	0	30
TCO	Oct21					-0.6900	-0.0125	62	7,354	62	0	0	0	31
TCO	Nov21					-0.4275	0.0000	0	6,809	0	0	0	0	0
TCO	Dec21					-0.3725	0.0000	0	6,827	0	0	0	0	0
TCO	Jan22					-0.3575	0.0000	0	5,555	0	0	0	0	0
TCO	Feb22					-0.3425	0.0000	0	5,033	0	0	0	0	0
TCO	Mar22					-0.3875	0.0000	0	5,307	0	0	0	0	0
TCO	Apr22					-0.3850	-0.0025	0	3,408	0	0	0	0	0
TCO	May22					-0.4250	-0.0025	0	3,520	0	0	0	0	0
TCO	Jun22					-0.4650	-0.0025	0	3,408	0	0	0	0	0
TCO	Jul22					-0.4725	-0.0025	0	3,706	0	0	0	0	0
TCO	Aug22					-0.5000	-0.0025	0	3,520	0	0	0	0	0
TCO	Sep22					-0.6075	-0.0025	0	3,408	0	0	0	0	0
TCO	Oct22					-0.6075	-0.0025	0	3,520	0	0	0	0	0
TCO	Nov22					-0.3525	0.0000	0	3,162	0	0	0	0	0
TCO	Dec22					-0.3200	0.0000	0	3,140	0	0	0	0	0
TCO	Jan23					-0.3575	0.0000	0	1,841	0	0	0	0	0