

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	7.7131	3.3946	4.2604	0.8658	8.5789

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

(b) Rate approved by the Commission at Case No. 2021-00134.

Peoples Gas KY LLC

Summary of Gas Cost Recovery Rate
Proposed to Become Effective for the
Period August 1, 2021 through October 31, 2021

Line No.	<u>Units</u> (1)	<u>Amount</u> (2)	
<u>GCR Components</u>			
1	Expected Gas Cost (EGC)	\$/Mcf	4.2445
2	Supplier Refund (RA)	\$/Mcf	0.0000
3	Actual Cost Adjustment (ACA)	\$/Mcf	0.0636
4	Balance Adjustment (BA)	\$/Mcf	<u>(0.0477)</u>
5	Gas Cost Recovery Rate (EGC + RA + ACA + BA)	\$/Mcf	<u><u>4.2604</u></u>
 <u>Expected Gas Cost Calculation (EGC)</u>			
6	Total Expected Cost of Gas	\$	888,450 (a)
7	Total Normalized Annual Sales	Mcf	<u>209,319 (b)</u>
8	Expected Gas Cost Rate (EGC) (Line 6 ÷ Line 7)	\$/Mcf	<u><u>4.2445</u></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	<u>0.0000 (f)</u>
13	Supplier Refund Adjustment (RA)	\$/Mcf	<u><u>0.0000</u></u>
 <u>Actual Cost Adjustment Summary</u>			
14	Current Quarter Adjustment	\$/Mcf	0.6226 (g)
15	Previous Quarter Adjustment	\$/Mcf	(0.6587) (d)
16	2nd Previous Quarter Adjustment	\$/Mcf	(0.0243) (e)
17	3rd Previous Quarter Adjustment	\$/Mcf	0.1240 (f)
18	Actual Cost Adjustment (ACA)	\$/Mcf	<u><u>0.0636</u></u>
 <u>Balance Adjustment Summary</u>			
19	Current Quarter Adjustment	\$/Mcf	(0.0268) (h)
20	Previous Quarter Adjustment	\$/Mcf	(0.0073) (d)
21	2nd Previous Quarter Adjustment	\$/Mcf	0.0053 (e)
22	3rd Previous Quarter Adjustment	\$/Mcf	(0.0189) (f)
23	Balance Adjustment (BA)	\$/Mcf	<u><u>(0.0477)</u></u>

(a) See Schedule 2.

(b) See Schedule 3.

(c) No supplier refunds were received during February 2021 through April 2021.

(d) As approved in Case No. 2021-00134.

(e) As approved in Case No. 2020-00418.

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

(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 2021 At Supplier
Costs Estimated to Become Effective August 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 May 2020	17,038	20,872	3.3466	69,849
2 June	9,331	11,430	3.3466	38,253
3 July	5,371	6,579	3.3466	22,019
4 August	3,568	4,371	3.3466	14,627
5 September	3,215	3,938	3.3466	13,180
6 October	4,915	6,021	3.3466	20,149
7 November	10,456	12,809	3.3466	42,865
8 December	22,565	27,642	3.3466	92,507
9 January 2021	44,776	54,851	3.3466	183,563
10 February	40,180	49,221	3.3466	164,721
11 March	37,624	46,089	3.3466	154,243
12 April 2021	17,678	21,656	3.3466	72,472
13 Total	<u>216,717</u>	<u>265,478</u>	<u>-</u>	<u>888,450</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	May	6,457
2	June	4,325
3	July	4,472
4	August	4,467
5	September	4,344
6	October	4,990
7	November	12,102
8	December	22,009
9	January	46,552
10	February	35,162
11	March	49,037
12	April	15,403
13	Total	<u>209,319</u>

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Calculation of Actual Cost Adjustment for the Period
February 2021 through April 2021

<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	40,181	37,625	17,584	95,390
2 Supply Cost Per Books	\$	171,703	163,392	66,907	402,002
3 Sales Volume	Mcf	35,138	22,644	15,756	73,538
4 EGC Revenue	\$	130,247	83,311	58,116	271,674
5 Over/(Under) Recovery (Line 5 - Line 2)	\$	(41,456)	(80,081)	(8,791)	(130,327)
6 Total Current Quarter Actual Cost to be included in rates					(130,327)
7 Normalized Sales					209,319
8 Current Quarter Actual Cost Adjustment (ACA) (Line 7 ÷ Line 8)					0.6226

1/ April 2021 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 2020

	<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. 2020-00093.			103,093
<u>Actual</u>			
May 2020	3,731	(3,681)	99,412
June	9,331	(3,283)	96,129
July	8,083	(2,524)	93,605
August	856	(1,699)	91,906
September	3,215	(1,789)	90,117
October	12,695	(4,123)	85,994
November	2,676	(8,425)	77,569
December	22,565	(16,488)	61,081
January 2021	74,838	(21,502)	39,579
February	10,118	(16,230)	23,349
March	37,624	(10,459)	12,889
April 2021	30,674	(7,278)	5,612
Total	<u>216,406</u>	<u>(97,481)</u>	

Normalized Sales 209,319 Mcf

Balancing Adjustment (\$0.0268) /Mcf
\$5,612 ÷ 209,319 Mcf

Peoples Gas KY

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

Line No.		<u>Nymex</u> (1)	<u>TCO Basis</u> (2)	<u>Total</u> (3) = (1 + 2)
1	August 2021	(See attachment) \$ 3.271	\$ (0.578)	\$ 2.694
2	September	(See attachment) \$ 3.259	\$ (1.105)	\$ 2.154
3	October	(See attachment) \$ 3.277	\$ (1.125)	<u>\$ 2.152</u>
4	Total	(Sum Lines 1-3)		\$ 7.000
5	Estimated 3 month average	(Line 4 / 3)		\$ 2.333
6	Retainage 11%	(Line 5 / (1-0.11))		\$ 2.6215
7	VTS Rate			\$ 0.7251
8	Projected Average Rate on Schedule 2 (August 2021 Quarterly Filing)	(Line 6 + Line 7)		<u>\$ 3.3466</u>

NATURAL GAS FUTURES

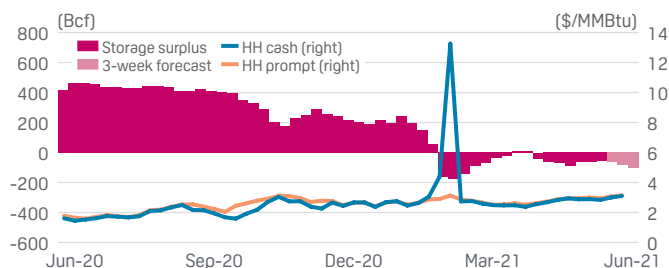
NYMEX PROMPT MONTH FUTURES CONTINUATION



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.

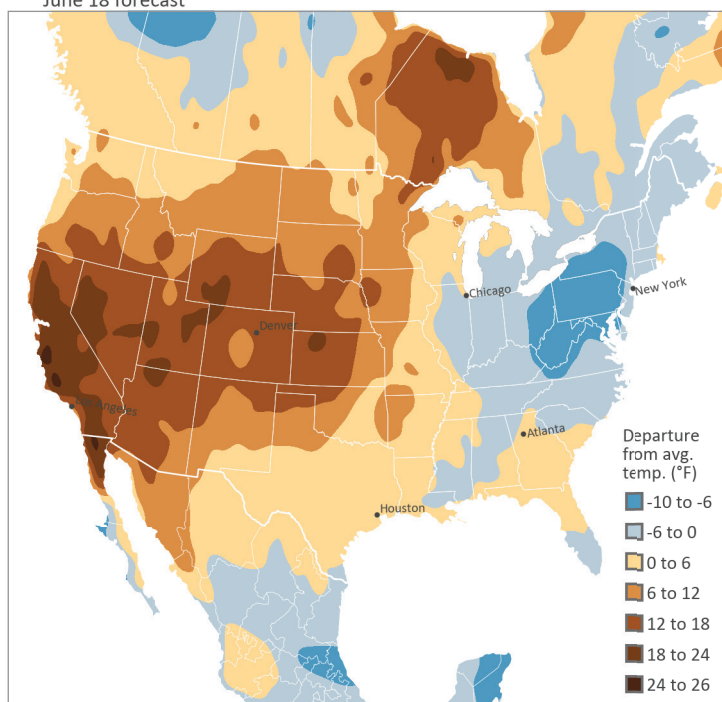
Source: S&P Global Platts

US GAS STORAGE SURPLUS vs ROLLING 5-YEAR AVERAGE



2-DAY-AHEAD TEMPERATURE DEVIATION FORECAST

June 18 forecast



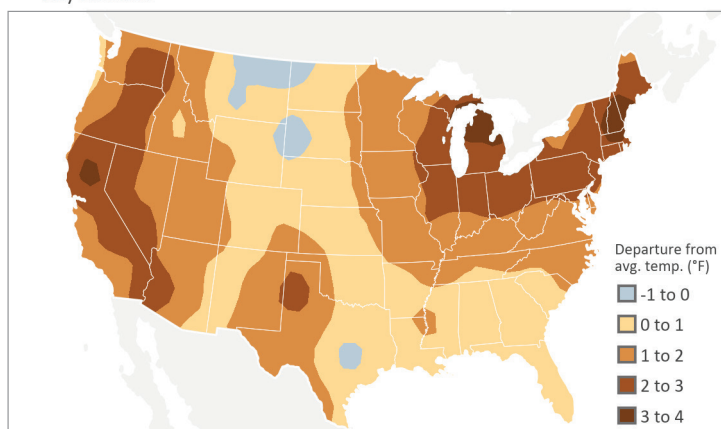
Source: S&P Global Platts, Custom Weather

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 2021	MNNG001	3.274	3.187	3.251	0.011	68372	155,300
Aug 2021	MNNG002	3.292	3.206	3.271	0.015	17714	158,358
Sep 2021	MNNG003	3.281	3.197	3.259	0.015	6705	203,756
Oct 2021	MNNG004	3.298	3.215	3.277	0.018	6450	144,952
Nov 2021	MNNG005	3.348	3.274	3.331	0.017	1280	87,429
Dec 2021	MNNG006	3.450	3.384	3.436	0.015	2335	64,411
Jan 2022	MNNG007	3.529	3.463	3.514	0.015	5109	87,895
Feb 2022	MNNG008	3.462	3.399	3.448	0.016	1008	35,174
Mar 2022	MNNG009	3.272	3.218	3.263	0.016	5024	80,515
Apr 2022	MNNG010	2.842	2.797	2.834	0.017	5798	73,632
May 2022	MNNG011	2.780	2.735	2.770	0.016	1016	49,294
Jun 2022	MNNG012	2.807	2.766	2.798	0.018	619	23,065
Jul 2022	MNNG013	2.842	2.804	2.835	0.018	510	15,219
Aug 2022	MNNG014	2.853	2.814	2.844	0.016	2753	15,239
Sep 2022	MNNG015	2.837	2.803	2.829	0.015	860	14,855
Oct 2022	MNNG016	2.860	2.825	2.852	0.013	1546	42,330
Nov 2022	MNNG017	2.910	2.888	2.910	0.015	419	15,656
Dec 2022	MNNG018	3.040	3.019	3.038	0.013	350	12,047
Jan 2023	MNNG019	3.134	3.115	3.134	0.013	87	7,002
Feb 2023	MNNG020	3.067	3.060	3.067	0.011	3	2,842
Mar 2023	MNNG021	2.884	2.872	2.884	0.005	4	6,734
Apr 2023	MNNG022	2.554	2.544	2.550	0.010	40	8,108
May 2023	MNNG023	2.515	2.508	2.509	0.009	3	4,543
Jun 2023	MNNG024	2.549	2.547	2.547	0.009	3	1,084
Jul 2023	MNNG025	2.598	2.590	2.590	0.010	1	1,790
Aug 2023	MNNG026	2.610	2.601	2.601	0.010	1	937
Sep 2023	MNNG027	2.590	2.590	2.590	0.011	1	925
Oct 2023	MNNG028	2.629	2.625	2.625	0.007	1	2,257
Nov 2023	MNNG029	2.686	2.686	2.686	0.007	0	801
Dec 2023	MNNG030	2.875	2.875	2.875	0.006	0	1,135
Jan 2024	MNNG031	2.978	2.978	2.978	0.006	0	750
Feb 2024	MNNG032	2.943	2.943	2.943	0.013	0	689
Mar 2024	MNNG033	2.801	2.801	2.801	0.021	0	1,220
Apr 2024	MNNG034	2.488	2.488	2.488	0.028	0	1,543
May 2024	MNNG035	2.875	2.875	2.467	0.028	0	700
Jun 2024	MNNG036	2.503	2.503	2.503	0.028	0	401
Total	MNNG000					421,513	1,327,034

MONTH-AHEAD TEMPERATURE DEVIATION FORECAST

July forecast



Source: S&P Global Platts, Custom Weather

Futures Daily Market Report for Financial Gas
16-Jun-2021

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	Jul21	-0.5600	-0.5400	-0.5800	-0.5700	-0.5650	0.0300	635	16,377	289	0	0	46	0
TCO	Aug21	-0.6000	-0.5775	-0.6000	-0.5775	-0.6050	0.0250	232	14,853	46	0	0	139	0
TCO	Sep21	-1.1000	-1.0750	-1.1050	-1.1050	-1.1050	0.0250	346	15,182	106	0	0	46	180
TCO	Oct21	-1.1200	-1.1200	-1.1250	-1.1250	-1.1600	0.0225	341	15,771	186	0	0	0	279
TCO	Nov21					-0.6750	0.0000	0	11,887	0	0	0	0	0
TCO	Dec21					-0.5325	0.0000	0	13,198	0	0	0	0	0
TCO	Jan22					-0.4175	0.0000	0	10,501	0	0	0	0	0
TCO	Feb22					-0.4050	0.0000	0	9,449	0	0	0	0	0
TCO	Mar22					-0.4200	0.0000	0	10,061	0	0	0	0	0
TCO	Apr22					-0.4650	-0.0075	0	5,265	0	0	0	0	0
TCO	May22					-0.5400	-0.0075	0	4,903	0	0	0	0	0
TCO	Jun22					-0.5800	-0.0075	0	4,747	0	0	0	0	0
TCO	Jul22					-0.6500	-0.0075	0	4,708	0	0	0	0	0
TCO	Aug22					-0.6775	-0.0075	0	4,522	0	0	0	0	0
TCO	Sep22					-0.7850	-0.0075	0	4,378	0	0	0	0	0
TCO	Oct22					-0.7775	-0.0075	0	4,522	0	0	0	0	0
TCO	Nov22					-0.6000	0.0050	0	4,374	0	0	0	0	0
TCO	Dec22					-0.5450	0.0050	0	4,611	0	0	0	0	0
TCO	Jan23					-0.4100	0.0050	0	3,253	0	0	0	0	0
TCO	Feb23					-0.4075	0.0050	0	2,978	0	0	0	0	0
TCO	Mar23					-0.4125	0.0050	0	3,253	0	0	0	0	0
TCO	Apr23					-0.4425	0.0050	0	2,014	0	0	0	0	0
TCO	May23					-0.4600	0.0050	0	2,081	0	0	0	0	0
TCO	Jun23					-0.4975	0.0050	0	2,014	0	0	0	0	0
TCO	Jul23					-0.6850	0.0050	0	2,050	0	0	0	0	0