

FOR ENTIRE AREA SERVED
KENTUCKY FRONTIER GAS, LLC

APPENDIX B
Page 1

P.S.C. KY. NO. 1

Original 1 SHEET NO. 1

Kentucky Frontier Gas, LLC
(Name of Utility)

CANCELING P.S. KY.NO.
_____ SHEET NO. _____

RATES AND CHARGES

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	\$ 0.71592	\$ 1.13792

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	\$ 0.71592	\$ 1.06046

Daysboro Residential

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 10.7100		\$ 10.7100
ALL CCF	\$ 0.45000	\$ 0.71592	\$ 1.16592

Daysboro Commercial

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 12.7500		\$ 12.7500
ALL CCF	\$ 0.85700	\$ 0.71592	\$ 1.57292

DATE OF ISSUE June 30, 2021
Month/Date/Year

DATE EFFECTIVE August 1, 2021

ISSUED BY 

TITLE Agent

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2021-00262 DATED June 23, 2021

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	\$ 6.6717
+ Refund Adjustment (RA)	\$/Mcf	\$ -
+ Actual Adjustment (AA)	\$/Mcf	\$ 0.1060
+ Balance Adjustment (BA)	\$/Mcf	\$ 0.3815
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= Gas Cost Recovery Rate (GCR)		\$ 7.1592

GCR to be effective for service rendered from: August 1, 2021

A	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$ 2,595,840
/	Sales for the 12 months ended <u>April 30, 2021</u>	Mcf	389,083
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=	Expected Gas Cost (EGC)	\$/Mcf	\$ 6.6717

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	\$ -
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=	Refund Adjustment (RA)	\$/Mcf	\$ -

C	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>(Revised</u>	<u>Amount</u>
	Actual Adjustment for the Current Reporting Period (Sch. IV)	\$/Mcf	\$ 0.2565
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0539)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0416)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0550)
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=	Actual Adjustment (AA)	\$/Mcf	\$ 0.1060

D	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Sch. V)	\$/Mcf	\$ 0.2805
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0033)
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0003)
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.1046
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=	Balance Adjustment (BA)	\$/Mcf	\$ 0.3815

Kentucky Frontier Gas, LLC - Unified

SCHEDULE II

EXPECTED GAS COST

MCF Purchases for 12 months ended:

April 30, 2021

Supplier	5% LIMITER Dth	Btu Factor	Mcf	Rate	(4) x (5) Cost
Columbia (Goble Roberts, Peoples)		N/A	10,716	\$ 6.0721	\$65,069
Cumberland Valley (Auxier)		1.1000	95,463	\$ 4.0569	\$387,285
Cumberland Valley (Sigma) includes \$1.25/Mcf DLR trans		1.1000	2,299	\$ 5.3069	\$12,201
Diversified Energy (39-E,181-S)		1.0000	33	\$ 4.9132	\$162
** HI-Energy		1.0031	8,054	\$ 4.0124	\$32,316
** HTC (Sigma) includes \$1.25/Mcf DLR trans		1.0758	5,927	\$ 5.5532	\$32,914
Jefferson (Sigma) rate includes \$1.25/Mcf DLR trans		1.1184	0	\$ 11.2743	\$0
Jefferson (Public and Daysboro)		1.1184	122,811	\$ 10.0243	\$1,231,093
Magnum Drilling, Inc.		N/A	3,105	\$ 10.5000	\$32,603
Nytis (Auxier)		1.0962	8,734	\$ 3.5224	\$30,765
Nytis (Sigma) includes \$1.25/Mcf DLR trans		1.0962	6,449	\$ 4.7724	\$30,777
Quality (Belfry)		1.1999	43,493	\$ 3.9756	\$172,912
** Slone Energy		1.0714	3,950	\$ 4.2856	\$16,928
Southern Energy (EQU,MLG,Price)		1.2066	61,567	\$ 5.2648	\$324,135
Southern Energy (Sigma) includes \$1.25/Mcf DLR trans		1.2066	40,726	\$ 6.5148	\$265,320
** Spirit		1.1178	5,435	\$ 4.4712	\$24,301
** Tacket		1.0745	2,266	\$ 4.2980	\$9,739
Totals			421,028	\$ 6.3381	\$2,668,519

Line loss 12 months ended: and sales of	<u>Apr-21</u> <u>389,083</u>	based on purchases of Mcf.	<u>421,028</u> <u>7.6%</u>	Mcf L&U	Unit Amount
Total Expected Cost of Purchases (6)				\$	\$ 2,668,519
/ Mcf Purchases (4)				Mcf	421,028
= Average Expected Cost Per Mcf Purchased				\$/Mcf	\$ 6.3381
x Allowable Mcf Purchases (5% Limiter)				Mcf	409,561
= Total Expected Gas Cost (to Schedule 1A)				\$	\$ 2,595,840

Estimated Avg TCo for Aug, Sep, Oct = \$3.6470/Dth (NYMEX Avg + \$-0.434/Dth (TCo Appal Basis) = **\$3.2133/Dth**

Columbia of KY (Case No. 2021-00184) = **\$6.0721**

Diversified = \$3.2133/Dth (TCo) + \$0.4499 (14% Fuel) + \$1.05 (Commodity) + \$0.20 (Demand) = **\$4.9132/Dth**

Jefferson contract = \$3.2133/Dth (TCo) + \$5.75/Dth cost factor = **\$8.9633/Dth**

CVR = \$3.2133 (TCo) + \$0.0641/Dth (1.996% Fuel) + \$0.0190/Dth Commodity + \$0.3417/Dth (TCo Demand) + \$0.05/Dth CVR Fee = **\$3.6881/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) = **\$3.2133/Dth** (TCo)

Nytis (Sigma) = \$3.2133/Dth (TCo) x .8 = **\$2.5706/Dth**

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

Southern Energy = \$3.2133/Dth (TCo) + \$1.1500/Dth = **\$4.3633/Dth**

Quality (Belfry) = \$3.2133/Dth (TCo) + \$0.10 = **\$3.3133/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 = \$3.2133/Dth x .8 = \$2.5706/Dth < \$4.50/Dth; **\$4.50/Dth**

** Estimated 3 mo. TCo = \$3.2133/Dth x .8 = \$2.5706/Dth < \$4.00/Dth; **\$4.00/Dth**

KFG UnifiedSchedule IV
Actual Adjustment

For the 3 month period ending:

April 30, 2021

5% LIMITER

<u>Particulars</u>	<u>Unit</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>
Total Supply Volumes Purchased	Mcf	77,785	45,300	31,368
Total Cost of Volumes Purchased	\$	\$ 463,575	\$ 248,855	\$ 161,726
(divide by) Total Sales (5% Limiter)	Mcf	73,896	43,035	29,800
(equals) Unit Cost of Gas	\$/Mcf	\$ 6.2734	\$ 5.7826	\$ 5.4271
(minus) EGC in effect for month	\$/Mcf	\$ 5.3089	\$ 5.3089	\$ 5.3089
(equals) Difference	\$/Mcf	\$ 0.9645	\$ 0.4737	\$ 0.1182
(times) Actual sales during month	Mcf	77,409	45,132	31,721
(equals) Monthly cost difference	\$	\$ 74,658	\$ 21,380	\$ 3,750

	<u>Unit</u>	<u>Amount</u>
Total cost difference for the 12 months ended April 30, 2021	\$	\$ 99,788.19
(divide by) Sales for 12 months ended April 30, 2021	Mcf	389,083
(equals) Actual Adjustment for the Reporting Period		\$ 0.2565
(plus) Over-recovery component from collections through expired AAs		\$ -
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)		\$ 0.2565

SCHEDULE V
BALANCE ADJUSTMENT
For the Effective Date May 1, 2021

<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	\$	\$ 72,394
Less: Dollar amount resulting from the AA of _____ (0.2010) \$/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 _____ 389,083 Mcf during the 12 month period the AA was in effect	\$	<u>(\$78,206)</u>
Equals: Balance Adjustment of the AA	\$	<u><u>\$150,600</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
Less: 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>
Equals: 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	\$	<u>(\$4,716)</u>
Less: Dollar amount resulting from the BA of _____ 0.0944 \$/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 _____ 389,083 Mcf during the 12 month period the BA was in effect	\$	<u>\$36,729</u>
Equals: Balance Adjustment of the BA	\$	<u><u>(\$41,445)</u></u>
Total Balance Adjustment Amount (1) + (2) + (3)	\$	\$109,154
Divide: Sales for 12 months ended January, 2021	Mcf	<u>389,083</u>
Equals: Balance Adjustment for the reporting period (to Schedule I, part D)	\$/Mcf	<u><u>\$0.2805</u></u>