

Delta Natural Gas Company, Inc./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	8.5789	4.2604	7.1239	2.8635	11.4424

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

(b) Rate approved by the Commission at Case No. 2021-00247.

Delta Natural Gas Company, Inc./Peoples Gas KY LLC

Summary of Gas Cost Recovery Rate
Proposed to Become Effective for the
Period November 1, 2021 through January 31, 2022

Line No.	<u>Units</u> (1)	<u>Amount</u> (2)	
<u>GCR Components</u>			
1	Expected Gas Cost (EGC)	\$/Mcf	7.0273
2	Supplier Refund (RA)	\$/Mcf	0.0000
3	Actual Cost Adjustment (ACA)	\$/Mcf	0.1245
4	Balance Adjustment (BA)	\$/Mcf	(0.0279)
5	Gas Cost Recovery Rate (EGC + RA + ACA + BA)	\$/Mcf	<u>7.1239</u>
 <u>Expected Gas Cost Calculation (EGC)</u>			
6	Total Expected Cost of Gas	\$	1,497,380 (a)
7	Total Normalized Annual Sales	Mcf	<u>213,079 (b)</u>
8	Expected Gas Cost Rate (EGC) (Line 6 ÷ Line 7)	\$/Mcf	<u>7.0273</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>0.0000</u>
 <u>Actual Cost Adjustment Summary</u>			
14	Current Quarter Adjustment	\$/Mcf	0.1849 (g)
15	Previous Quarter Adjustment	\$/Mcf	0.6226 (d)
16	2nd Previous Quarter Adjustment	\$/Mcf	(0.6587) (e)
17	3rd Previous Quarter Adjustment	\$/Mcf	(0.0243) (f)
18	Actual Cost Adjustment (ACA)	\$/Mcf	<u>0.1245</u>
 <u>Balance Adjustment Summary</u>			
19	Current Quarter Adjustment	\$/Mcf	0.0009 (h)
20	Previous Quarter Adjustment	\$/Mcf	(0.0268) (d)
21	2nd Previous Quarter Adjustment	\$/Mcf	(0.0073) (e)
22	3rd Previous Quarter Adjustment	\$/Mcf	0.0053 (f)
23	Balance Adjustment (BA)	\$/Mcf	<u>(0.0279)</u>

(a) See Schedule 2.

(b) See Schedule 3.

(c) No supplier refunds were received during May 2021 through July 2021.

(d) As approved in Case No. 2021-00247.

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

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

(g) See Schedule 4.

(h) See Schedule 5.

Delta Natural Gas Company, Inc./Peoples Gas KY LLC

Calculation of Expected Gas Cost Based on Purchases
for the Twelve Months Ended July 2021 At Supplier
Costs Estimated to Become Effective November 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 August 2020	3,568	4,371	5.6916	24,877
2 September	3,215	3,938	5.6916	22,416
3 October	4,915	6,021	5.6916	34,268
4 November	10,456	12,809	5.6916	72,901
5 December	22,565	27,642	5.6916	157,328
6 January 2021	44,776	54,851	5.6916	312,188
7 February	40,180	49,221	5.6916	280,143
8 March	37,624	46,089	5.6916	262,322
9 April	17,678	21,656	5.6916	123,255
10 May	16,824	20,609	5.6916	117,300
11 June	8,083	9,902	5.6916	56,356
12 July 2021	4,880	5,978	5.6916	34,024
13 Total	<u>214,764</u>	<u>263,086</u>	<u>-</u>	<u>1,497,380</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 Diversified Energy Marketing, and adjusted for 11% retainage.

Delta Natural Gas Company, Inc./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	August	4,231
2	September	3,380
3	October	5,034
4	November	12,165
5	December	22,001
6	January	46,562
7	February	35,132
8	March	49,119
9	April	15,363
10	May	11,776
11	June	4,099
12	July	4,217
13	Total	<u>213,079</u>

Delta Natural Gas Company, Inc./Peoples Gas KY LLC

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

<u>Description</u>	<u>Unit</u>	<u>May</u>	<u>June</u>	<u>July 1/</u>	<u>Total</u>
	(1)	(2)	(3)	(4)	(5)
1 Supply Volume Per Invoice	Mcf	16,824	8,083	4,880	29,787
2 Supply Cost Per Books	\$	72,084	35,542	24,588	132,214
3 Sales Volume	Mcf	13,199	6,027	4,975	24,201
4 EGC Revenue	\$	50,095	23,420	19,311	92,826
5 Over/(Under) Recovery (Line 5 - Line 2)	\$	(21,990)	(12,122)	(5,276)	(39,388)
6 Total Current Quarter Actual Cost to be included in rates					(39,388)
7 Normalized Sales					213,079
8 Current Quarter Actual Cost Adjustment (ACA) (Line 7 ÷ Line 8)					0.1849

1/ July 2021 costs are estimated.

Delta Natural Gas Company, Inc./Peoples Gas KY LLC

Calculation of Balancing Adjustment for
Over/(Under) Recoveries of Gas Cost Incurred
During the Twelve Month Period Beginning August 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. 2020-00186.			(18,491)
<u>Actual</u>			
August 2020	856	(150)	(18,641)
September	3,215	319	(18,322)
October	12,695	783	(17,539)
November	2,676	1,596	(15,943)
December	22,565	3,123	(12,820)
January 2021	74,838	4,073	(8,746)
February	10,118	3,075	(5,672)
March	37,624	1,981	(3,690)
April	30,674	1,379	(2,312)
May	3,828	1,155	(1,157)
June	8,083	527	(629)
July 2021	7,649	435	(194)
 Total	 <u>214,821</u>	 <u>18,297</u>	

Normalized Sales 213,079 Mcf

Balancing Adjustment \$0.0009 /Mcf
\$194 ÷ 213,079 Mcf

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

Line No.		<u>Nymex</u> (1)	<u>TCO Basis</u> (2)	<u>Total</u> (3) = (1 + 2)
1	November 2021	(See attachment) \$ 4.842	\$ (0.620)	\$ 4.222
2	December	(See attachment) \$ 4.953	\$ (0.493)	\$ 4.461
3	January	(See attachment) \$ 5.023	\$ (0.445)	<u>\$ 4.578</u>
4	Total	(Sum Lines 1-3)		\$ 13.261
5	Estimated 3 month average	(Line 4 / 3)		\$ 4.420
6	Retainage 11%	(Line 5 / (1-0.11))		\$ 4.9665
7	VTS Rate			\$ 0.7251
8	Projected Average Rate on Schedule 2 (November 2021 Quarterly Filing) (Line 6 + Line 7)			<u>\$ 5.6916</u>

NATURAL GAS FUTURES

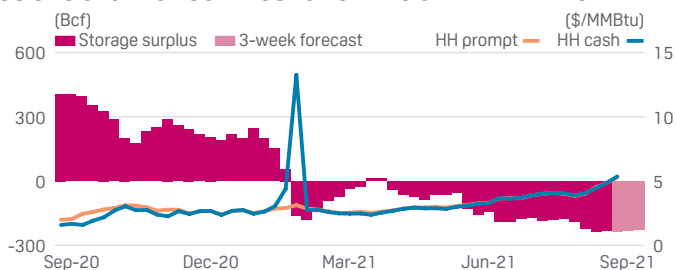
NYMEX PROMPT MONTH FUTURES CONTINUATION



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.

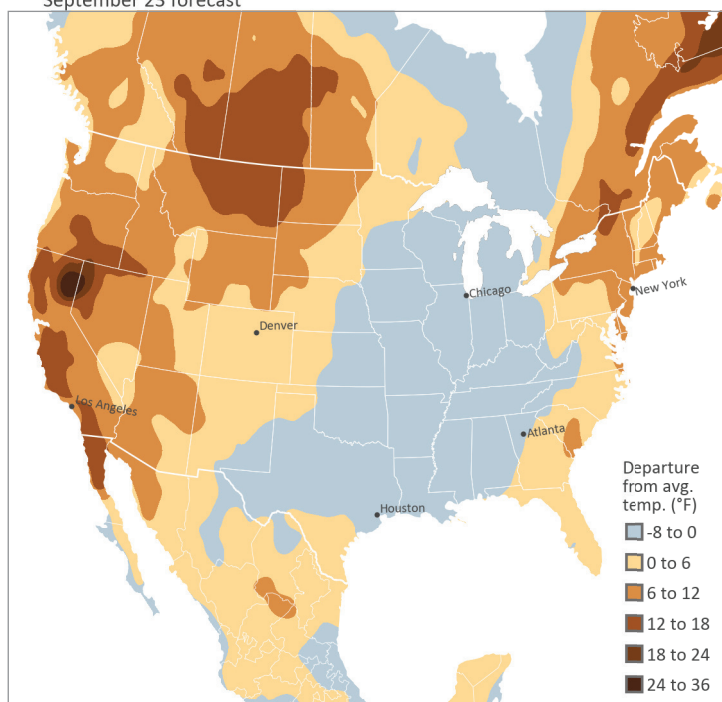
Source: S&P Global Platts

US GAS STORAGE SURPLUS vs ROLLING 5-YEAR AVERAGE



2-DAY-AHEAD TEMPERATURE DEVIATION FORECAST

September 23 forecast



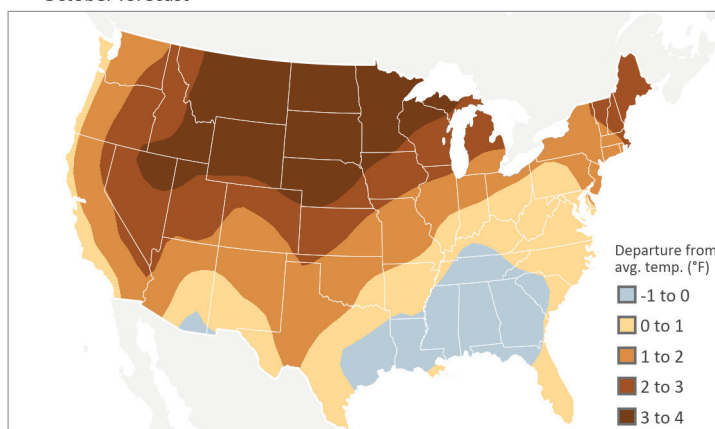
Source: S&P Global Platts, Custom Weather

NYMEX HENRY HUB GAS FUTURES CONTRACT CLOSINGS, SEP 21

	Platts Symbol	High	Low	Close	Change	Previous Day's Volume	Previous Day's Open Interest
Oct 2021	MNNG001	5.046	4.735	4.805	-0.180	56731	95,353
Nov 2021	MNNG002	5.083	4.766	4.842	-0.180	23844	258,753
Dec 2021	MNNG003	5.195	4.879	4.953	-0.179	4259	89,798
Jan 2022	MNNG004	5.260	4.951	5.023	-0.179	3687	155,494
Feb 2022	MNNG005	5.178	4.865	4.936	-0.181	1690	57,229
Mar 2022	MNNG006	4.847	4.561	4.616	-0.179	3116	119,494
Apr 2022	MNNG007	3.732	3.612	3.672	0.002	3233	118,888
May 2022	MNNG008	3.608	3.503	3.556	0.008	1509	118,028
Jun 2022	MNNG009	3.637	3.543	3.592	0.009	785	37,393
Jul 2022	MNNG010	3.683	3.585	3.638	0.012	713	30,907
Aug 2022	MNNG011	3.688	3.592	3.644	0.013	484	33,139
Sep 2022	MNNG012	3.670	3.574	3.625	0.011	354	35,168
Oct 2022	MNNG013	3.696	3.600	3.648	0.008	1005	87,883
Nov 2022	MNNG014	3.717	3.671	3.717	0.010	149	32,067
Dec 2022	MNNG015	3.890	3.818	3.863	0.010	204	25,597
Jan 2023	MNNG016	3.976	3.912	3.955	0.011	314	22,741
Feb 2023	MNNG017	3.887	3.846	3.887	0.016	46	9,073
Mar 2023	MNNG018	3.584	3.543	3.580	0.009	53	11,936
Apr 2023	MNNG019	3.034	3.000	3.031	0.018	301	12,130
May 2023	MNNG020	2.958	2.930	2.956	0.025	9	7,424
Jun 2023	MNNG021	2.999	2.967	2.997	0.026	247	5,594
Jul 2023	MNNG022	3.044	3.011	3.041	0.025	50	4,052
Aug 2023	MNNG023	3.059	3.028	3.054	0.024	0	3,227
Sep 2023	MNNG024	3.044	3.026	3.044	0.024	0	4,472
Oct 2023	MNNG025	3.080	3.076	3.076	0.024	1	5,788
Nov 2023	MNNG026	3.186	3.186	3.186	0.024	0	2,106
Dec 2023	MNNG027	3.400	3.370	3.393	0.023	4	2,083
Jan 2024	MNNG028	3.509	3.489	3.493	0.023	12	1,312
Feb 2024	MNNG029	3.421	3.421	3.421	0.022	0	891
Mar 2024	MNNG030	3.193	3.193	3.193	0.022	0	3,092
Apr 2024	MNNG031	2.758	2.758	2.758	0.026	1	3,244
May 2024	MNNG032	2.717	2.710	2.717	0.025	0	742
Jun 2024	MNNG033	2.757	2.757	2.757	0.025	0	480
Jul 2024	MNNG034	2.825	2.825	2.825	0.025	0	388
Aug 2024	MNNG035	3.193	3.193	2.839	0.025	0	549
Sep 2024	MNNG036	2.834	2.834	2.834	0.024	0	262
Total	MNNG000					365,868	1,404,318

MONTH-AHEAD TEMPERATURE DEVIATION FORECAST

October forecast



Source: S&P Global Platts, Custom Weather

Futures Daily Market Report for Financial Gas
21-Sep-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	Oct21	-1.0850	-1.0400	-1.1150	-1.0875	-1.0850	-0.0325	837	16,081	-186	0	0	0	93
TCO	Nov21	-0.6100	-0.6100	-0.6100	-0.6100	-0.6200	-0.0125	120	13,001	0	0	0	90	0
TCO	Dec21					-0.4925	-0.0150	93	13,871	-62	0	0	93	0
TCO	Jan22	-0.4500	-0.4450	-0.4500	-0.4450	-0.4450	-0.0025	155	12,453	62	0	0	93	0
TCO	Feb22	-0.3850	-0.3850	-0.3850	-0.3850	-0.4250	0.0050	112	11,333	0	0	0	84	0
TCO	Mar22					-0.4175	0.0125	93	12,104	0	0	0	93	0
TCO	Apr22					-0.4650	-0.0050	60	6,755	0	0	0	0	30
TCO	May22					-0.6275	-0.0075	62	6,504	31	0	0	0	31
TCO	Jun22					-0.7050	-0.0075	60	6,087	30	0	0	0	30
TCO	Jul22					-0.7600	-0.0075	62	5,946	31	0	0	0	31
TCO	Aug22					-0.8150	-0.0075	62	5,822	31	0	0	0	31
TCO	Sep22					-0.9225	-0.0075	60	5,637	30	0	0	0	30
TCO	Oct22					-0.9650	-0.0075	62	5,876	31	0	0	0	31
TCO	Nov22					-0.6675	-0.0075	150	5,084	150	0	0	120	0
TCO	Dec22					-0.6050	-0.0075	155	5,356	155	0	0	124	0
TCO	Jan23					-0.4200	-0.0050	155	3,792	155	0	0	124	0
TCO	Feb23					-0.4125	-0.0050	140	3,470	140	0	0	112	0
TCO	Mar23					-0.4175	-0.0050	155	3,792	155	0	0	124	0
TCO	Apr23					-0.5075	-0.0175	0	3,253	0	0	0	0	0
TCO	May23					-0.5250	-0.0175	0	3,361	0	0	0	0	0
TCO	Jun23					-0.5625	-0.0175	0	3,253	0	0	0	0	0
TCO	Jul23					-0.7700	-0.0175	0	3,361	0	0	0	0	0
TCO	Aug23					-0.8100	-0.0175	0	3,361	0	0	0	0	0
TCO	Sep23					-0.8325	-0.0175	0	3,253	0	0	0	0	0
TCO	Oct23					-0.7925	-0.0175	0	3,361	0	0	0	0	0