

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	11.4424	7.1239	5.5120	(1.6119)	9.8305

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

(b) Rate approved by the Commission at Case No. 2021-00367.

## Peoples Gas KY LLC

Summary of Gas Cost Recovery Rate  
Proposed to Become Effective for the  
Period February 1, 2022 through April 30, 2022

Line No.	<u>Units</u> (1)	<u>Amount</u> (2)	
<u>GCR Components</u>			
1	Expected Gas Cost (EGC)	\$/Mcf	5.3800
2	Supplier Refund (RA)	\$/Mcf	0.0000
3	Actual Cost Adjustment (ACA)	\$/Mcf	0.1649
4	Balance Adjustment (BA)	\$/Mcf	(0.0329)
5	Gas Cost Recovery Rate (EGC + RA + ACA + BA)	\$/Mcf	<u>5.5120</u>
 <u>Expected Gas Cost Calculation (EGC)</u>			
6	Total Expected Cost of Gas	\$	1,146,850 (a)
7	Total Normalized Annual Sales	Mcf	<u>213,170 (b)</u>
8	Expected Gas Cost Rate (EGC) (Line 6 ÷ Line 7)	\$/Mcf	<u>5.3800</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	0.0161 (g)
15	Previous Quarter Adjustment	\$/Mcf	0.1849 (d)
16	2nd Previous Quarter Adjustment	\$/Mcf	0.6226 (e)
17	3rd Previous Quarter Adjustment	\$/Mcf	(0.6587) (f)
18	Actual Cost Adjustment (ACA)	\$/Mcf	<u>0.1649</u>
 <u>Balance Adjustment Summary</u>			
19	Current Quarter Adjustment	\$/Mcf	0.0003 (h)
20	Previous Quarter Adjustment	\$/Mcf	0.0009 (d)
21	2nd Previous Quarter Adjustment	\$/Mcf	(0.0268) (e)
22	3rd Previous Quarter Adjustment	\$/Mcf	(0.0073) (f)
23	Balance Adjustment (BA)	\$/Mcf	<u>(0.0329)</u>

(a) See Schedule 2.

(b) See Schedule 3.

(c) No supplier refunds were received during August 2021 through October 2021.

(d) As approved in Case No. 2021-00367.

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

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

(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 2021 At Supplier  
Costs Estimated to Become Effective February 1, 2022

	<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 2020	10,456	12,809	4.3822	56,130
2 December	22,565	27,642	4.3822	121,133
3 January 2021	44,776	54,851	4.3822	240,366
4 February	40,180	49,221	4.3822	215,694
5 March	37,624	46,089	4.3822	201,973
6 April	17,678	21,656	4.3822	94,899
7 May	16,824	20,609	4.3822	90,315
8 June	8,083	9,902	4.3822	43,391
9 July	4,880	5,978	4.3822	26,197
10 August	3,623	4,438	4.3822	19,449
11 September	3,091	3,786	4.3822	16,593
12 October 2021	3,858	4,726	4.3822	20,710
13 Total	<u>213,638</u>	<u>261,707</u>	<u>-</u>	<u>1,146,850</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.

## 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	12,156
2	December	22,002
3	January	46,561
4	February	35,136
5	March	49,108
6	April	15,369
7	May	11,789
8	June	4,131
9	July	4,249
10	August	4,254
11	September	4,116
12	October	4,299
13	Total	<u>213,170</u>

## Peoples Gas KY LLC

Calculation of Actual Cost Adjustment for the Period  
August 2021 through October 2021

<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	3,606	3,072	3,827	10,505
2 Supply Cost Per Books	\$	19,170	18,152	28,590	65,912
3 Sales Volume	Mcf	3,740	3,359	7,730	14,829
4 EGC Revenue	\$	15,397	14,266	32,806	62,470
5 Over/(Under) Recovery (Line 5 - Line 2)	\$	(3,773)	(3,886)	4,217	(3,442)
6 Total Current Quarter Actual Cost to be included in rates					(3,442)
7 Normalized Sales					213,170
8 Current Quarter Actual Cost Adjustment (ACA) (Line 7 ÷ Line 8)					0.0161

1/ October 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 November 2020

	<u>Sales</u> (1) Mcf	<u>ACA</u> <u>Recovery</u> (2) \$	<u>Over/(Under)</u> <u>Collection</u> <u>Balance</u> (3) \$
Balance Approved by the Commission in Case No. 2020-00301.			(26,452)
<u>Actual</u>			
November 2020	2,676	2,242	(24,210)
December	22,565	4,420	(19,790)
January 2021	74,838	5,771	(14,020)
February	10,118	4,357	(9,663)
March	37,624	2,808	(6,855)
April	30,674	1,954	(4,901)
May	3,828	1,637	(3,264)
June	8,083	747	(2,517)
July	7,649	617	(1,900)
August	854	464	(1,436)
September	3,091	416	(1,020)
October 2021	12,050	959	(61)
 Total	 <u>214,050</u>	 <u>26,390</u>	

Normalized Sales 213,170 Mcf

Balancing Adjustment \$0.0003 /Mcf  
\$61 ÷ 213,170 Mcf

## Peoples Gas KY

### Calculation of Average Rate on Schedule 2 (February 2022 Quarterly Filing)

Line No.		<u>Nymex</u> (1)	<u>TCO Basis</u> (2)	<u>Total</u> (3) = (1 + 2)
1	February 2022	(See attachment) \$ 3.774	\$ (0.415)	\$ 3.359
2	March	(See attachment) \$ 3.658	\$ (0.393)	\$ 3.266
3	April	(See attachment) \$ 3.575	\$ (0.435)	<u>\$ 3.140</u>
4	Total	(Sum Lines 1-3)		\$ 9.765
5	Estimated 3 month average	(Line 4 / 3)		\$ 3.255
6	Retainage 11%	(Line 5 / (1-0.11))		\$ 3.6571
7	VTS Rate			\$ 0.7251
8	<b>Projected Average Rate on Schedule 2</b> (February 2022 Quarterly Filing) (Line 6 + Line 7)			<b><u>\$ 4.3822</u></b>

## NATURAL GAS FUTURES

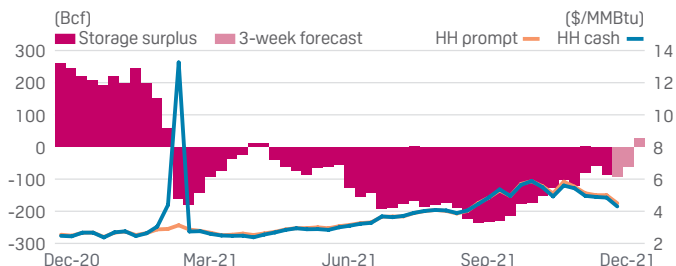
### NYMEX PROMPT MONTH FUTURES CONTINUATION



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.

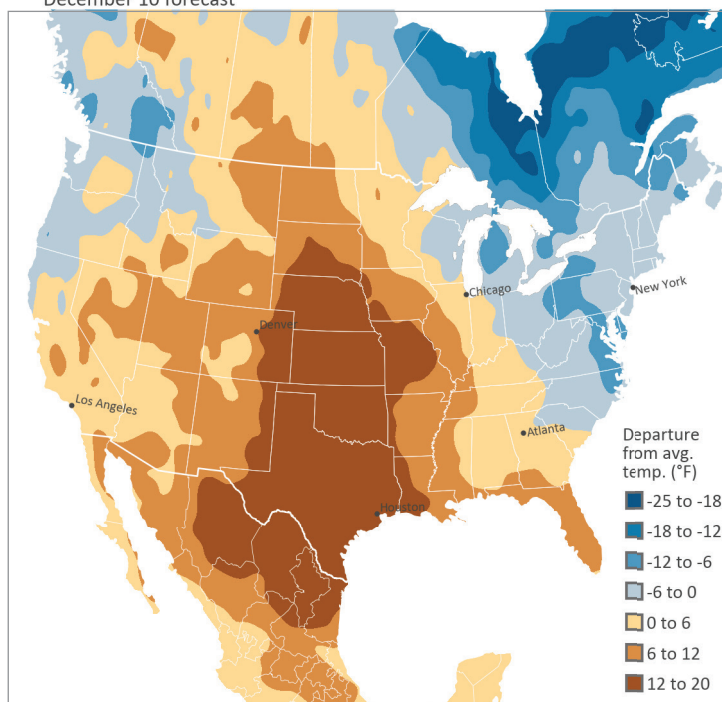
Source: S&P Global Platts

### US GAS STORAGE SURPLUS vs ROLLING 5-YEAR AVERAGE



### 2-DAY-AHEAD TEMPERATURE DEVIATION FORECAST

December 10 forecast



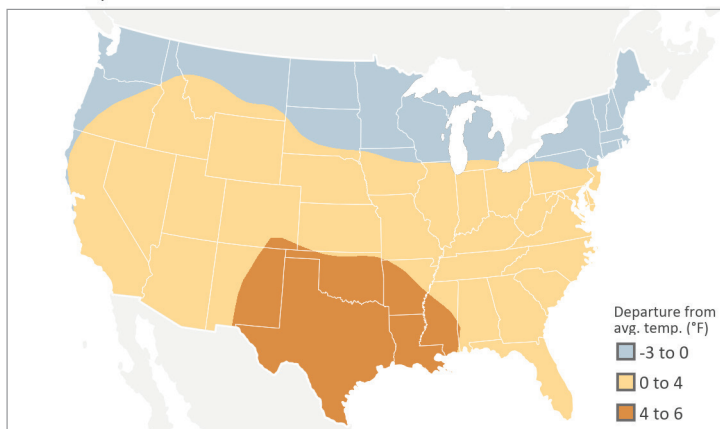
Source: S&P Global Platts, Custom Weather

### NYMEX HENRY HUB GAS FUTURES CONTRACT CLOSINGS, DEC 8

	Platts Symbol	High	Low	Close	Change	Previous Day's Volume	Previous Day's Open Interest
Jan 2022	MNNG001	3.931	3.723	3.815	0.107	57386	243,121
Feb 2022	MNNG002	3.886	3.688	3.774	0.100	5472	78,244
Mar 2022	MNNG003	3.763	3.588	3.658	0.073	5382	168,677
Apr 2022	MNNG004	3.649	3.510	3.575	0.078	6286	102,993
May 2022	MNNG005	3.650	3.531	3.583	0.078	2579	121,715
Jun 2022	MNNG006	3.687	3.574	3.628	0.076	937	48,394
Jul 2022	MNNG007	3.744	3.630	3.680	0.073	1272	45,542
Aug 2022	MNNG008	3.760	3.644	3.695	0.073	657	32,196
Sep 2022	MNNG009	3.744	3.633	3.684	0.074	794	39,071
Oct 2022	MNNG010	3.780	3.667	3.721	0.076	1182	80,115
Nov 2022	MNNG011	3.870	3.761	3.823	0.081	409	34,679
Dec 2022	MNNG012	4.062	3.953	4.015	0.083	792	28,343
Jan 2023	MNNG013	4.169	4.090	4.118	0.079	803	45,087
Feb 2023	MNNG014	4.046	4.001	4.010	0.075	66	12,165
Mar 2023	MNNG015	3.765	3.704	3.718	0.059	88	26,916
Apr 2023	MNNG016	3.178	3.112	3.127	0.017	139	18,407
May 2023	MNNG017	3.124	3.045	3.060	0.007	83	13,025
Jun 2023	MNNG018	3.173	3.085	3.098	0.004	205	9,746
Jul 2023	MNNG019	3.210	3.123	3.143	0.004	110	7,127
Aug 2023	MNNG020	3.228	3.139	3.160	0.001	86	5,084
Sep 2023	MNNG021	3.182	3.130	3.152	0.000	9	6,731
Oct 2023	MNNG022	3.264	3.167	3.190	0.000	18	10,556
Nov 2023	MNNG023	3.319	3.281	3.310	-0.009	5	6,004
Dec 2023	MNNG024	3.622	3.520	3.546	-0.018	5	8,935
Jan 2024	MNNG025	3.700	3.650	3.660	-0.025	11	6,171
Feb 2024	MNNG026	3.582	3.582	3.582	-0.032	0	1,469
Mar 2024	MNNG027	3.400	3.340	3.340	-0.028	3	9,071
Apr 2024	MNNG028	3.015	2.944	2.944	-0.019	2	4,714
May 2024	MNNG029	2.940	2.899	2.899	-0.025	1	2,030
Jun 2024	MNNG030	2.943	2.943	2.943	-0.027	2	927
Jul 2024	MNNG031	2.994	2.994	2.994	-0.031	1	559
Aug 2024	MNNG032	3.056	3.011	3.011	-0.031	2	606
Sep 2024	MNNG033	3.004	3.004	3.004	-0.034	0	410
Oct 2024	MNNG034	3.109	3.045	3.045	-0.041	0	2,320
Nov 2024	MNNG035	2.943	2.943	3.175	-0.041	4	364
Dec 2024	MNNG036	3.472	3.420	3.420	-0.041	2	804
Total	MNNG000					376,049	1,230,918

### MONTH-AHEAD TEMPERATURE DEVIATION FORECAST

January forecast



Source: S&P Global Platts, Custom Weather



**Futures Daily Market Report for Financial Gas**  
**08-Dec-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
<b>TCO-TCO Basis Future</b>														
TCO	Jan22	-0.4575	-0.4575	-0.4600	-0.4600	-0.4450	-0.0100	93	11,930	31	0	0	0	0
TCO	Feb22	-0.4275	-0.4275	-0.4275	-0.4275	-0.4150	-0.0075	84	10,960	56	0	0	0	0
TCO	Mar22	-0.4000	-0.4000	-0.4000	-0.4000	-0.3925	0.0000	31	12,560	31	0	0	0	0
TCO	Apr22					-0.4350	-0.0125	0	8,411	0	0	0	0	0
TCO	May22					-0.5350	-0.0075	0	8,351	0	0	0	0	0
TCO	Jun22					-0.6200	-0.0075	0	7,785	0	0	0	0	0
TCO	Jul22					-0.6950	-0.0125	0	7,638	0	0	0	0	0
TCO	Aug22					-0.7350	-0.0125	0	7,576	0	0	0	0	0
TCO	Sep22					-0.8875	-0.0125	0	7,335	0	0	0	0	0
TCO	Oct22					-0.9850	-0.0100	0	8,285	0	0	0	0	0
TCO	Nov22					-0.6550	-0.0100	0	5,628	0	0	0	0	0
TCO	Dec22					-0.5350	0.0025	0	5,825	0	0	0	0	0
TCO	Jan23					-0.3825	0.0025	0	4,412	0	0	0	0	0
TCO	Feb23					-0.3825	0.0025	0	4,034	0	0	0	0	0
TCO	Mar23					-0.3875	0.0025	0	4,412	0	0	0	0	0
TCO	Apr23					-0.4150	0.0000	0	3,463	0	0	0	0	0
TCO	May23					-0.4700	0.0000	0	3,578	0	0	0	0	0
TCO	Jun23					-0.5100	0.0000	0	3,463	0	0	0	0	0
TCO	Jul23					-0.6525	0.0000	0	3,578	0	0	0	0	0
TCO	Aug23					-0.6925	0.0000	0	3,578	0	0	0	0	0
TCO	Sep23					-0.7800	0.0000	0	3,463	0	0	0	0	0
TCO	Oct23					-0.7375	0.0000	0	3,578	0	0	0	0	0
TCO	Nov23					-0.5300	0.0000	0	2,501	0	0	0	0	0
TCO	Dec23					-0.5375	0.0000	0	2,584	0	0	0	0	0
TCO	Jan24					-0.3875	0.0000	0	1,561	0	0	0	0	0