

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	\$ 6.7129
+ Refund Adjustment (RA)	\$/Mcf	\$ -
+ Actual Adjustment (AA)	\$/Mcf	\$ 0.3417
+ Balance Adjustment (BA)	\$/Mcf	\$ (0.0402)
= Gas Cost Recovery Rate (GCR)		\$ 7.0144

GCR to be effective for service rendered from: February 1, 2022

A EXPECTED GAS COST CALCULATION Unit Amount

Total Expected Gas Cost (Schedule II)	\$	\$ 2,585,001
/ Sales for the 12 months ended <u>October 31, 2021</u>	Mcf	385,080
= Expected Gas Cost (EGC)	\$/Mcf	\$ 6.7129

B REFUND ADJUSTMENT CALCULATION Unit Amount

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

C ACTUAL ADJUSTMENT CALCULATION (Revised) Amount

Actual Adjustment for the Current Reporting Period (Sch. IV)	\$/Mcf	\$ 0.0997
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ 0.0394
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ 0.2565
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0539)
= Actual Adjustment (AA)	\$/Mcf	\$ 0.3417

D BALANCE ADJUSTMENT CALCULATION Unit Amount

Balance Adjustment for the Reporting Period (Sch. V)	\$/Mcf	\$ (0.0626)
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.0178
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.0079
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0033)
= Balance Adjustment (BA)	\$/Mcf	\$ (0.0402)

2021-00479

Kentucky Frontier Gas, LLC - Unified

SCHEDULE II

EXPECTED GAS COST

MCF Purchases for 12 months ended:

October 31, 2021

Supplier	5% LIMITER Dth	Btu Factor	Mcf	Rate	(4) x (5) Cost
Columbia (Goble Roberts, Peoples)		N/A	10,578	\$ 8.3842	\$88,688
Cumberland Valley (Auxier)		1.1000	94,386	\$ 4.0170	\$379,147
Cumberland Valley (Sigma) includes \$1.25/Mcf DLR trans		1.1000	1,340	\$ 5.2670	\$7,058
Diversified Energy (39-E, 181-S)		1.0000	58	\$ 4.8726	\$283
** HI-Energy		1.0031	10,631	\$ 4.0124	\$42,656
** HTC (Sigma) includes \$1.25/Mcf DLR trans		1.0758	7,554	\$ 5.5532	\$41,949
Jefferson (Sigma) rate includes \$1.25/Mcf DLR trans		1.1184	0	\$ 11.2345	\$0
Jefferson (Public and Daysboro)		1.1184	121,650	\$ 9.9845	\$1,214,611
Magnum Drilling, Inc.		N/A	3,315	\$ 10.5000	\$34,808
Nytis (Auxier)		1.0962	8,054	\$ 3.4834	\$28,055
Nytis (Sigma) includes \$1.25/Mcf DLR trans		1.0962	5,257	\$ 4.0368	\$21,221
Quality (Belfry)		1.1999	38,782	\$ 3.9329	\$152,526
** Slone Energy		1.0714	4,488	\$ 4.2856	\$19,234
Southern Energy (EQU, MLG, Price)		1.2066	58,690	\$ 5.2218	\$306,468
Southern Energy (Sigma) includes \$1.25/Mcf DLR trans		1.2066	40,197	\$ 6.4718	\$260,147
** Spirit		1.1178	5,462	\$ 4.4712	\$24,422
** Tacket		1.0745	1,818	\$ 4.2980	\$7,814
Totals			412,260	\$ 6.3772	\$2,629,085

Line loss 12 months ended:	<u>Oct-21</u>	based on purchases of	<u>412,260</u>	Mcf
and sales of	<u>385,080</u>	Mcf.	<u>6.6%</u>	L&U
			<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)			\$	\$ 2,629,085
/ Mcf Purchases (4)			Mcf	412,260
= Average Expected Cost Per Mcf Purchased			\$/Mcf	\$ 6.3772
x Allowable Mcf Purchases (5% Limiter)			Mcf	405,347
= Total Expected Gas Cost (to Schedule 1A)			\$	\$ 2,585,001

Estimated Avg TCo for Feb, Mar, Apr = \$3.8197/Dth (NYMEX Avg + \$-0.6420/Dth (TCo Appal Basis) = **\$3.1777/Dth**

Columbia of KY (Case No. 2021-00403) = **\$8.3842**

Diversified = \$3.1777/Dth (TCo) + \$0.4449 (14% Fuel) + \$1.05 (Commodity) + \$0.20 (Demand) = **\$4.8726/Dth**

Jefferson contract = \$3.1777/Dth (TCo) + \$5.75/Dth cost factor = **\$8.9277/Dth**

CVR = \$3.1777 (TCo) + \$0.00634/Dth (1.996% Fuel) + \$0.0190/Dth Commodity + \$0.3417/Dth (TCo Demand) + \$0.05/Dth CVR Fee = **\$3.6518/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) = **\$3.1777/Dth** (TCo)

Nytis (Sigma) = \$3.1777/Dth (TCo) x .8 = **\$2.5422/Dth**

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

Southern Energy = \$3.1777/Dth (TCo) + \$1.1500/Dth = **\$4.3277/Dth**

Quality (Belfry) = \$3.1777/Dth (TCo) + \$0.10 = **\$3.2777/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 = \$3.1777/Dth x .8 = \$2.5422/Dth < \$4.50/Dth; **\$4.50/Dth**

** Estimated 3 mo. TCo = \$3.1777/Dth x .8 = \$2.5422/Dth > \$4.00/Dth; **\$4.00/Dth**

2021-00479

KFG UnifiedSchedule IV
Actual Adjustment

For the 3 month period ending:

October 31, 2021

5% LIMITER

<u>Particulars</u>	<u>Unit</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>
Total Supply Volumes Purchased	Mcf	8,406	9,885	16,289
Total Cost of Volumes Purchased	\$	\$ 66,515	\$ 60,771	\$ 144,100
(divide by) Total Sales (5% Limiter)	Mcf	7,986	9,391	15,475
(equals) Unit Cost of Gas	\$/Mcf	\$ 8.3293	\$ 6.4714	\$ 9.3121
(minus) EGC in effect for month	\$/Mcf	\$ 6.6717	\$ 6.6717	\$ 6.6717
(equals) Difference	\$/Mcf	\$ 1.6576	\$ (0.2003)	\$ 2.6404
(times) Actual sales during month	Mcf	6,746	7,844	10,899
(equals) Monthly cost difference	\$	\$ 11,182	\$ (1,571)	\$ 28,777

	<u>Unit</u>	<u>Amount</u>
Total cost difference for the 12 months ended October 31, 2021	\$	\$ 38,387.85
(divide by) Sales for 12 months ended October 31, 2021	Mcf	385,080
(equals) Actual Adjustment for the Reporting Period	\$	0.0997
(plus) Over-recovery component from collections through expired AAs	\$	-
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)	\$	0.0997

2021-00479

SCHEDULE V
BALANCE ADJUSTMENT
For the Effective Date February 1, 2022

<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	\$	\$ (19,765)
Less: Dollar amount resulting from the AA of _____ (0.0550) \$/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 _____ 385,080 Mcf during the 12 month period the AA was in effect	\$	<u>(\$21,179)</u>
Equals: Balance Adjustment of the AA	\$	<u><u>\$1,414</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>\$14,774</u>
Less: Dollar amount resulting from the BA of _____ 0.1046 \$/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 _____ 385,080 Mcf during the 12 month period the BA was in effect	\$	<u>\$40,279</u>
Equals: Balance Adjustment of the BA	\$	<u><u>(\$25,505)</u></u>
Total Balance Adjustment Amount (1) + (2) + (3)	\$	(\$24,091)
Divide: Sales for 12 months ended October, 2021	Mcf	<u>385,080</u>
Equals: Balance Adjustment for the reporting period (to Schedule I, part D)	\$/Mcf	<u><u>(\$0.0626)</u></u>