



May 7, 2024

Ms. Linda C. Bridwell, P.E.
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Re: *Electronic Purchased Gas Adjustment Filing of Kentucky Frontier Gas, LLC - Case No. 2023-00427*

Dear Ms. Bridwell:

Kentucky Frontier is refiling the quarterly CGR rate report in Case No. 2023-00427 using the Commission approved rate report mechanism pursuant to the Final Order in Case No. 2023-00067 filed on March 28, 2023. Please see the attached.

Please do not hesitate to contact me with any questions or concerns.

Sincerely,

KENTUCKY FRONTIER GAS, LLC

A handwritten signature in cursive script that reads "Dennis R. Horner".

Dennis R. Horner
Enclosures

FOR ENTIRE AREA SERVED
KENTUCKY FRONTIER GAS, LLC

P.S.C. KY. NO. 1

Original 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	\$ 0.30385	\$ 0.72585

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	\$ 0.30385	\$ 0.64839

Daysboro Residential

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 10.7100		\$ 10.7100
ALL CCF	\$ 0.45000	\$ 0.30385	\$ 0.75385

Daysboro Commercial

	Gas Cost		
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
CUSTOMER CHARGE	\$ 12.7500		\$ 12.7500
ALL CCF	\$ 0.85700	\$ 0.30385	\$ 1.16085

DATE OF ISSUE December 28, 2023
Month/Date/Year

DATE EFFECTIVE February 1, 2024

ISSUED BY 

TITLE Agent

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2023-00427 DATED December 28, 2023

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 \$	6.4702
+ Refund Adjustment (RA)	\$/Mcf \$	-
+ Actual Adjustment (AA)	\$/Mcf \$	(3.4664)
+ Balance Adjustment (BA)	\$/Mcf \$	0.0347
= Gas Cost Recovery Rate (GCR)	\$	3.0385

GCR to be effective for service rendered from: February 1, 2024

A	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$ 2,276,743
	/ Sales for the 12 months ended <u>October 31, 2023</u>	Mcf	351,882
=	Expected Gas Cost (EGC)	\$/Mcf \$	6.4702

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

C	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Current Reporting Period (Sch. IV)	\$/Mcf \$	(0.2049)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.1456)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(1.9488)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(1.1671)
=	Actual Adjustment (AA)	\$/Mcf \$	(3.4664)

D	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Sch. V)	\$/Mcf \$	0.0237
+	Previous Quarter Reported Balance Adjustment	\$/Mcf \$	0.0184
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf \$	(0.0090)
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf \$	0.0016
=	Balance Adjustment (BA)	\$/Mcf \$	0.0347

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Kentucky Frontier Gas, LLC - Unified

SCHEDULE II

EXPECTED GAS COST

MCF Purchases for 12 months ended:

October 31, 2023

(4) x (5)

Supplier	Dth	Btu Factor	Mcf	Rate	Cost
Columbia (Goble Roberts,Peoples)		N/A	7,817	\$ 6.2856	\$49,135
Cumberland Valley (Auxier)		1.1750	97,299	\$ 3.6681	\$356,899
Cumberland Valley (Sigma) includes \$1.25/Mcf DLR trans		1.1750	1,946	\$ 4.9181	\$9,571
Diversified Energy (39-E,181-S)		1.0000	77	\$ 4.2801	\$330
* HI-Energy		1.1340	8,611	\$ 4.8195	\$41,501
** HTC (Sigma) includes \$1.25/Mcf DLR trans		1.0622	6,975	\$ 5.4988	\$38,354
EKM (Sigma) rate includes \$1.25/Mcf DLR trans		1.1184	170	\$ 11.8252	\$2,010
EKM (Public and Daysboro)		1.1184	104,393	\$ 10.5752	\$1,103,976
Magnum Drilling, Inc.		N/A	2,113	\$ 10.5000	\$22,187
Nytis (Auxier)		1.2000	641	\$ 3.1896	\$2,045
Nytis (Sigma) includes \$1.25/Mcf DLR trans		1.2000	9,832	\$ 3.8017	\$37,378
Quality (Belfry)		1.1999	33,062	\$ 3.3093	\$109,413
** Slone Energy		1.0762	4,622	\$ 4.3048	\$19,897
Southern Energy (EKU,MLG,Price)		1.2632	52,916	\$ 4.8103	\$254,540
Southern Energy (Sigma) includes \$1.25/Mcf DLR trans		1.2632	37,188	\$ 6.0603	\$225,369
** Spirit		1.1619	5,218	\$ 4.6476	\$24,251
** Tacket		N/A	1,844	\$ 3.5000	\$6,454
Totals			374,724	\$ 6.1467	\$2,303,308

Line loss 12 months ended: Oct-23 based on purchases of 374,724 Mcf
and sales of 351,882 Mcf 6.1% L&U

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$ 2,303,308
/ Mcf Purchases (4)	Mcf	374,724
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 6.1467
x Allowable Mcf Purchases	Mcf	370,402
= Total Expected Gas Cost (to Schedule 1A)	\$	\$ 2,276,743

Est Avg NYMEX Feb, Mar, Apr = \$3.3440/Dth; Est TCo = \$3.3440 -\$0.686/Dth (TCo Appal Basis)	\$2.6580 Dth
Columbia of KY (Case No. 2023-00250)	\$6.2856 Mcf
Diversified = TCo Appal + 14% Fuel + \$1.05 Commodity + \$0.20 Demand	\$4.2801 Dth
EKM (Jefferson) = TCo Appal + \$5.75 cost factor + \$0.4479 L&U + \$0.60 FT/Mkt	\$9.4559 Dth
CVR = TCo Appal + 1.996% Fuel + \$0.0190 Commodity + \$0.3417 Demand + \$0.05 CVR Fee	\$3.1218 Dth
* HI-Energy contract	\$4.2500 Dth
** HTC, Spirit contract	\$4.0000 Dth
Magnum Drilling contract	\$10.5000 Mcf
Nytis (Auxier) = TCo Appal	\$2.6580 Dth
Nytis (Sigma) = TCo Appal. x .8	\$2.1264 Dth
** Slone contract	\$4.0000 Dth
Southern Energy = TCo Appal + \$1.1500/Dth	\$3.8080 Dth
Quality (Belfry) = TCo Appal+ \$0.10	\$2.7580 Dth
* Est 3 mo. TCo Appal x .8 = \$1.7074 < \$4.25/Dth; \$4.2500/Dth	\$4.2500 Dth
** Est 3 mo. TCo Appal x .8 = \$1.7074 < \$4.00/Dth; \$4.0000/Dth	\$4.0000 Dth
Tacket contract	\$3.5000 Mcf
DLR Trans Cow Creek (Sigma) \$1.25/Mcf on Mcf from CVR,EQT,HTC,ING,EKM,Nytis,Plateau,Southern Energy	

KFG Unified

Schedule IV
Actual Adjustment

For the 3 month period ending:

October 31, 2023

5% LIMITER

<u>Particulars</u>	<u>Unit</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>
Total Supply Volumes Purchased	Mcf	8,943	9,720	18,949
Total Cost of Volumes Purchased	\$	\$36,309	\$34,450	\$ 79,133
(divide by) Total Sales (5% Limiter)	Mcf	8,507	9,234	18,002
(equals) Unit Cost of Gas	\$/Mcf	\$4.2681	\$3.7308	\$4.3959
(minus) EGC in effect for month	\$/Mcf	\$6.3390	\$6.3390	\$6.3390
(equals) Difference	\$/Mcf	(\$2.0709)	(\$2.6082)	(\$1.9431)
(times) Actual sales during month	Mcf	8,507	8,605	16,484
(equals) Monthly cost difference	\$	(\$17,617)	(\$22,444)	(\$32,030)

	<u>Unit</u>	<u>Amount</u>
Total cost difference	\$	(\$72,091)
(divide by) Sales for 12 months ended October 31, 2023	Mcf	351,882
(equals) Actual Adjustment for the Reporting Period		(\$0.2049)
(plus) Over-recovery component from collections through expired AAs		\$0.0000
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)		(\$0.2049)

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SCHEDULE V
BALANCE ADJUSTMENT
For the Effective Date February 1, 2024

<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	\$	\$57,208
Less: Dollar amount resulting from the AA of _____ 0.1578 \$/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 _____ 351,882 Mcf during the 12 month period the AA was in effect	\$	<u>\$55,527</u>
Equals: Balance Adjustment of the AA	\$	<u>\$1,681</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>\$0</u>
Total balance adjustment used to compute BA of the GCR effective 4 quarters prior to the effective date of the currently effective GCR	\$	\$7,007
Less: Dollar amount resulting from the BA of _____ 0.0010 \$/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 _____ 351,882 Mcf during the 12 month period the BA was in effect	\$	<u>\$354</u>
Equals: Balance Adjustment of the BA	\$	<u>\$6,653</u>
Total Balance Adjustment Amount (1) + (2) + (3)	\$	\$8,334
Divide: Sales for 12 months ended October, 2023	Mcf	<u>351,882</u>
Equals: Balance Adjustment for the reporting period	\$/Mcf	\$0.0237