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July 16, 2026

VIA ELECTRONIC FILING

Ms. Linda C. Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: Navitas KY NG, LLC – Unified Gas Cost Recovery (PGA) Case No. 2026-00169

Dear Executive Director Bridwell:

Consistent with discussions during the Informal Conference held today in the above-referenced matter, Navitas KY NG, LLC ("Navitas") hereby submits for filing in the record of this proceeding: (i) its proposed refund plan with respect to certain expenses paid to Russmar which were later recovered through Navitas's GCR mechanism (the same proposed plan having been filed as post-case correspondence in Case No. 2025-00010); (ii) a narrative explanation with respect to a specified figure (namely, $130,897) contained in the PGA spreadsheet, Schedule V tab at (1), filed herein; and (iii) PGA-related invoices for March and April of this year.

Russmar Refund Plan

Navitas proposes to refund the disallowed Russmar charges by following the same procedure it is using to reflect the GCR residual surcharge ordered in Case No. 2025-00316 and other collection/refund deltas. This process involves including the amount, in this case a refund balance, in the calculation of the Balance Adjustment of the BA. Thus, in this instance, with its purchased gas adjustment on or about June 30, 2026, Navitas intends to include the Russmar-related refund in the BA calculation. It will also appear on the AA/BA Ladder worksheet in the column corresponding to the month of April. In this manner the Russmar refund will be issued over a twelve (12) month period in the subsequent purchased gas BA adjustment.

Explanation of Figure ($130,897)

2025-00084 is the first quarter that Navitas used the KYPSC excel file. We ran our methodology alongside it, see attachment labeled "25-084 Old Method."

The KYPSC file calculates line loss on a monthly basis, thus while for the quarter Navitas was within the allowed line loss, the new methodology showed us making gas two months and having line loss greater than the allowed amount the third month. On the KYPSC spreadsheet, see attachment labeled "25-084 New Method," we requested the KYPSC consider this issue.

It is important to note that the Ladder worksheet was not added until the next filing 2025-00204. When it was pulled in from the Navitas file, it retained the full AA amount which considered line loss a quarterly issue and in specifications.

Also, to reiterate,

- In the next quarterly filing Navitas will pull out the four (Fully) Suspended Actual Adjustments and place them on a separate worksheet against the Surcharge Collections
- Navitas will revisit its line loss calculation

Further matters to consider,

- Currently the EGC data is displayed and retained in reverse chronological order, Navitas suggest moving this data to the left side of the EGC calculation and in chronological order.
- Additionally, Navitas suggests retaining the past AA calculations, also in chronological order, in the worksheet to aid in research.

<u>Invoices</u>

With Navitas's PGA application materials filed in the above-referenced matter during the overnight hours on 6/30-7/1, several invoices were submitted under seal via email to PSCED@ky.gov and an accompanying Motion for Confidential Treatment was filed. Contemporaneous with the filing of this letter, Navitas (through the undersigned) will supplement its earlier submission (with invoices organized by month), again under seal via email to PSCED@ky.gov, and asks that those invoices also be considered subject to the earlier-filed Motion for Confidential Treatment.

In accordance with 807 KAR 5:001, the undersigned certifies that a copy of this Read 1st Letter and its enclosures have been electronically transmitted to the Kentucky Public Service Commission on the date first set forth above, and there are currently no parties that the Commission has excused from participation by electronic means.

Please contact me should you have any questions or concerns, and thank you for your assistance with this matter.

Sincerely,

/s/ M. Evan Buckley

M. Evan Buckley

Certification

I hereby certify that a copy of this Read1st Letter and its enclosures have been served electronically on all parties of record through the use of the Commission's electronic filing system, and there are currently no parties that the Commission has excused from participation by electronic means. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, a paper copy of this filing has not been transmitted to the Commission.

/s/ M. Evan Buckley
M. Evan Buckley

Enclosures

25-084 - "Old Method"

Schedule IV
Actual Adjustment

	Current quarter		
	Actual (usage month, billed on 7th of following)		
Usage beginning	Nov-24	Dec-24	Jan-25
EGC submitted	hold	hold	hold
Supply			
Clinton County	44,671.50	47,885.99	82,507.44
Floyd County	1,369.93	2,029.62	1,575.05
Johnson County	7,439.02	10,782.95	8,949.89
Supply sub total	53,480.45	60,698.56	93,032.38
Transportation			
Clinton County	12,480.47	20,289.70	27,896.51
Floyd County			
Johnson County	-	-	-
Transportation sub total	12,480.47	20,289.70	27,896.51
Total cost	65,960.93	80,988.25	120,928.89
Allowed purchase volume	6,859	10,166	17,488
Cost per MCF	10.1229	7.6884	7.2788
less EGC in effect	4.0691	4.0691	4.0691
Delta	6.05	3.62	3.21
Total sales in MCF	6,516	10,534	16,614
Monthly cost difference	39,446.67	38,125.17	53,325.27
Total cost difference			130,897.11
/ specificed 12 mo sales			76,725
Actual Adjustment		**Actual Adjustment**	**1.7061**

25-084 "New Method"

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 month period ended January 31, 2025

Particulars	Unit	Month 1	Month 2	Month 3	Total
Total Supply Volumes Purchased	Mcf	10160	10166	13862	34188
Total Cost of Volumes Purchased	$	$65,960.93	$80,988.25	$120,928.89	
/ Total Sales *	Mcf	9,652.0	10,534.0	16,614.0	
= Unit Cost of Gas	$/Mcf	$6.8339	$7.6883	$7.2787	
- EGC in Effect for Month	$/Mcf	$4.0691	$4.0691	$4.0691	
= Difference	$/Mcf	$2.7648	$3.6192	$3.2096	
x Actual Sales during Month	Mcf	6,516.0	10,534.0	16,614.0	33664
= Monthly Cost Difference	$	$18,015.52	$38,124.35	$53,324.86	

Total Cost Difference	$	$109,464.74
/ Sales for 12 months ended	Mcf	76,725.0
= Actual Adjustment for the Reporting Period (to Sch IC)		$1.4267

* May not be less than 95% of supply volume 0.95 98.5%

***Note - there appears to be a meter reading timing issue whereby for the three month period we're in compliance but in the Month 1 gas is lost and in Month 2 & 3 gas is made.**
Will the KYPSC be willing to discuss this matter and offer insights as to how other companies manage the issue?