

Navitas KYNG, LLC

**QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION**

Date Filed:

9/30/2026

Date Rates to be Effective:

11/1/2026

Reporting Period is Calendar Quarter Ended:

7/31/2026

Special Notes

Thomas

Note (per the IC & 2026-00169DR) the addition of the TN Reduction for Clinton County

~~It is the intent of Navitas to file for a variance to the allowed line loss~~

Note that line loss has declined to less than 5% for the quarter and the year

Note the change in how Purchase vs. Sales quantities are booked

Sales are no longer allowed to exceed purchases

Note the AA from 2025-00084 was corrected on the Ladder Worksheet

From \$130,897.11 to 109,464.74

Note (per the IC) the \$4.50 surcharges in JAN & FEB moved to Surcharge Worksheet

And the true ups

And the refund from the disallowed Russmar charges.

There maybe adjustments to AA 2026-00169 based on DRs

However, those are not included w/o your review.

Note, there was a substantial cash out on the Enbridge pipeline in January.

See 2026-00169 DR1

Sara

While working in May, I noticed an error in Purchases- April (L-115);

the correct number should be 257. This number has been corrected.

Purchases, cell L-124 was empty, I have added the data for that month.

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$10.0479
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$2.0081
Balance Adjustment (BA)	\$/Mcf	\$0.2088
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$12.2648

Rates to be effective for service rendered from **November 1, 2026**

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$934,952.29
/Sales for the 12 months ended	\$/Mcf	93,049.60
Expected Gas Cost	\$/Mcf	\$10.0479
<u>B. REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch III)	\$/Mcf	\$0.0000
+Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
=Refund Adjustment (RA)	\$ Mcf	\$0.0000
<u>C. ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	(\$0.4328)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	\$2.4652
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.1217
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.1460)
=Actual Adjustment (AA)	\$ Mcf	\$2.0081
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0075
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.1504)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.2457)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.5974
=Balance Adjustment (BA)	\$ Mcf	\$0.2088

Note for:
NOV
DEC
JAN

SCHEDULE II
EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended July 31, 2026

Actual Mcf Purchases for 12 months ended		July 31, 2026				JUL	JUN	MAY
(1)	(2)	(3)	(4)	(5)	(6)	Current Quarter		
Supplier	Dth	Btu Conversion Factor	Mcf	Rate	(4) x (5) Cost			
Clinton County						-1.4%	-3.2%	-1.3%
Commodity Supply:								
Petrol					313,497.05	16,666.00	17,242.20	17,299.20
Sparta					155,779.34	13,227.39	\$13,061.16	12,884.13
Enbridge (balance)					174,077.71	708.37	(208.78)	706.03
Conner Ridge					-	-	-	-
Tennessee Reduction					(86,868.84)	(428.42)	(963.03)	(401.56)
Sub total					556,485.26			
Commodity Transport:								
Enbridge					47,985.03	3,541.87	3,528.55	3,149.73
B&W					183,610.23	14,390.29	14,651.14	13,974.56
Hull Gathering					-			
Tennessee Reduction					(23,317.06)	(251.05)	(581.75)	(222.62)
Sub total					208,278.20			
			72,322	\$10.57	764,763.47			
Floyd County								
Diversified			8,173	\$7.78	63,590.76	1,548.35	45.65	696.42
Johnson County								
Diversified					34,941.50	936.29	930.86	1,090.56
Petrol					71,656.56	2,410.77	\$4,477.78	3,927.93
Sub total					16,984	\$6.28	106,598.06	
Totals			97,479	9.59	934,952.29	52,749.86	52,183.78	53,104.30

Line loss for 12 months ended	7/31/2026	is based on purchases of	97,479
and sales of	93,050	Mcf.	4.54%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$934,952.29
/ Mcf Purchases (4)		97,479
= Average Expected Cost Per Mcf Purchased		\$9.5913
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		97,478.75
= Total Expected Gas Cost (to Schedule 1A)		\$934,952.29

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 month period ended

July 31, 2026

Particulars	Unit	MAY Month 1	JUN Month 2	JUL Month 3	Total
Posted Purchases		6,922.2	6,838.2	6,731.1	20,492
With Prior Period Timing Residual		6,922.2	3,772.5	4,731.0	15,426
Adjustment for measurement date delta		3,065.7	2,000.1	435.1	5,501
		9,987.9	5,772.6	5,166.1	20,927
Total Supply Volumes Purchased	Mcf	9,987.9	5,772.6	5,166.1	20,927
Total Cost of Volumes Purchased	\$	53,104.38	52,183.78	52,749.86	
/ Total Sales *	Mcf	9,988	5,773	5,166	
= Unit Cost of Gas	\$/Mcf	\$5.3169	\$9.0399	\$10.2108	
- EGC in Effect for Month	\$/Mcf	\$9.4764	\$9.4764	\$9.4764	
= Difference	\$/Mcf	(\$4.1595)	(\$0.4365)	\$0.7344	
x Actual Sales during Month	Mcf	9,987.9	5,772.6	5,166.1	20,927
= Monthly Cost Difference	\$	(\$41,544.95)	(\$2,519.68)	\$3,793.83	
Total Cost Difference			\$	(\$40,270.81)	
/ Sales for 12 months ended			Mcf	93,049.6	
= Actual Adjustment for the Reporting Period (to Sch IC)				(\$0.4328)	

* May not be less than 95% of supply volume

100.0%

Explanation of Purchases Figure

1. Begin with the premise that the system cannot create gas.
 - a. Thus Purchase must be equal to or greater than Sales
2. If Purchases are less than Sales
 - a. Advance next period purchases to account for excess molecules sold
3. Subsequent period starting purchases adjusted to account for those advanced to prior period
 - a. Need to take care across quarterly submissions

Discussion

The system cannot create gas, it must ultimately purchase the gas it sells
 Theoretically there can be very minimal temperature and/or pressure changes
 but these are very small quantity changes
 The reason for the delta where sales are greater than purchases is the timing difference between
 the reading of sales meters and the reading of purchase meters
 particularly when large, volatile customers are involved
 Conceptually it could be more accurate to reduce sales
 however, this is a much more complicated adjustment
 that will not then match billing records

Schedule V

BALANCE ADJUSTMENT

For the 3 month period ended: 4/31/2026

	<u>Particulars</u>	<u>Amount</u>	
(1)	Total cost difference used to compute AA of the GCR effective 4 quarters prior to the effective date of the currently effective GCR	<u>-\$11,140</u>	2025-00204
	Less: Dollar amount resulting from the AA of per Mcf as used to compute the GCR in effect 4 quarters prior to the effective date of the currently effective GCR times the sales of Mcf during the 12 month period the AA was in effect	<u>(\$0.1427)</u> <u>93,050</u>	
		<u>-\$13,278</u>	
	Equals: Balance Adjustment of the AA	<u>\$2,139</u>	
(2)	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	<u>\$0</u>	
	Less: Dollar amount resulting from the RA of per Mcf as used to compute the GCR in effect 4 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>\$0.0000</u> <u></u>	
		<u>\$0</u>	
	Equals: Balance Adjustment of the RA	<u>\$0</u>	
(3)	Total balance adjustment used to compute BA of the GCR effective 4 quarters prior to the effective date of the currently effective GCR	<u>\$7,502</u>	2025-00204
	Less: Dollar amount resulting from the BA of per Mcf as used to compute the GCR in effect 4 quarters prior to the effective date of the currently effective GCR times the sales of Mcf during the 12 month period the BA was in effect	<u>\$0.0961</u> <u>93,050</u>	
		<u>\$8,942</u>	
	Equals: Balance Adjustment of the BA	<u>-\$1,440</u>	
	Total Balance Adjustment Amount (1) + (2) + (3)	<u>\$698</u>	
	Divide: Mcf Sales for 12 months ended 31-Jul-26	<u>93,050</u>	
	Equals: Balance Adjustment for the reporting period (to Schedule I, part D)	<u>0.0075</u>	