



August 25, 2009

Mr. Jeff DeRouen, Executive Director
Commonwealth of Kentucky
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

AUG 28 2009

PUBLIC SERVICE
COMMISSION

2009-00348

Re: Citipower L.L.C.
Quarterly Report of Gas Cost Recovery Rate Calculation

Dear Mr. DeRouen:

Please accept the enclosed Citipower, L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation rates to be effective October 1, 2009 based on the reporting period from April 1, 2009 through June 30, 2009. To the best of my knowledge, this filing is complete and accurate, is in accordance with the requirements of the Commonwealth of Kentucky Public Service Commission.

The Public Service Commission may, as it has in the past, correct the Quarterly Report of Gas Cost Recovery Rate Calculation provided by Citipower, and issue its Order based on its corrected Calculation. If the Commission corrects the enclosed Calculation and issues its Order based on the Commission's corrected calculation, please provide me with a legible copy for future reference.

Sincerely,

John Forsberg
Controller

Citipower, LLC
2122 Enterprise Road
Greensboro, NC 27408

Voice 336-379-0800
Fax 336-379-0881

CITIPOWER, LLC

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

RECEIVED

AUG 28 2009

**PUBLIC SERVICE
COMMISSION**

Date Filed:

August 26, 2009

Date Rated to be Effective:

October 1, 2009

Reporting Period is Calendar Quarter Ended:

June 30, 2009

CITIPOWER, LLC

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGA)	\$/Mcf	\$6.4500
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.2548
Balance Adjustment (BA)	\$/Mcf	\$0.1475
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$6.8523

to be effective for service rendered from Oct 1, 2009 to Dec 31 2009.

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$529,648
/Sales for the 12 months ended June 30, 2009	\$/Mcf	82,116
Expected Gas Cost	\$/Mcf	\$6.4500
<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	\$0.0000
+Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
+Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
=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	\$0.7136
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.4446)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0143)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$0.0001
=Actual Adjustment (AA)	\$ Mcf	\$0.2548
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.1674
+Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0000
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0106
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0305)
=Balance Adjustment (BA)	\$ Mcf	\$0.1475

CITIPOWER, LLC
SCHEDULE II
EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended June 30, 2009

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Citigas			82,116	\$6.45	\$529,648

Totals			82,116		\$529,648
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Line loss for 12 months ended 6/30/2009 is based on purchases of 82,116
and sales of 82,116 Mcf. 0.00%

Total Expected Cost of Purchases (6)	<u>Unit</u>	<u>Amount</u>
/ Mcf Purchases (4)		\$529,648
= Average Expected Cost Per Mcf Purchased		82,116
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		\$6.4500
= Total Expected Gas Cost (to Schedule IA)		82,116
		\$529,648

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

For the period ended June 30, 2009.

<u>Particulars</u>	<u>Unit</u>	<u>April '09</u> <u>Month 1</u>	<u>May '09</u> <u>Month 2</u>	<u>June '09</u> <u>Month 3</u>
Total Supply Volumes Purchased	Mcf	7,426	3,837	3,053
Total Cost of Volumes Purchased	\$	\$119,009	\$37,335	\$20,863
/ Total Sales *	Mcf	7,426	3,837	3,053
= Unit Cost of Gas	\$/Mcf	\$16.0259	\$9.7303	\$6.8337
- EGC in Effect for Month	\$/Mcf	\$8.2849	\$8.2849	\$8.2849
= Difference	\$/Mcf	\$7.7410	\$1.4454	(\$1.4512)
x Actual Sales during Month	Mcf	7,426	3,837	3,053
= Monthly Cost Difference	\$	\$57,485	\$5,546	(\$4,431)
Total Cost Difference			\$	\$58,600
/ Sales for 12 months ended 6/30/09			Mcf	82,116
= Actual Adjustment for the Reporting Period (to Sch IC)				\$0.7136

* May not be less than 95% of supply volume

CITIPOWER, LLC

SCHEDULE V
BALANCE ADJUSTMENT

Case No. 2008-0158

Effective Date	Mcf Sales	Factor	Refunded	Balance
Beginning Balance				\$106,920
Jun-08	2,782	\$1.2215	\$3,398	\$110,319
Jul-08	2,123	\$1.2215	\$2,593	\$107,725
Aug-08	2,193	\$1.2215	\$2,679	\$105,047
Sep-08	2,206	\$1.2215	\$2,695	\$102,352
Oct-08	5,287	\$1.2215	\$6,458	\$95,894
Nov-08	8,486	\$1.2215	\$10,366	\$85,528
Dec-08	11,125	\$1.2215	\$13,589	\$71,939
Jan-09	15,525	\$1.2215	\$18,964	\$52,975
Feb-09	11,902	\$1.2215	\$14,538	\$38,437
Mar-09	8,953	\$1.2215	\$10,936	\$27,501
Apr-09	7,426	\$1.2215	\$9,071	\$18,430
May-09	3,837	\$1.2215	\$4,687	\$13,743

Under/(Over) Recovery	\$13,743
Mcf Sales for factor	82,116
BA Factor	\$0.1674

Citipower, LLC
Quarterly Report of Gas Cost
Filing Date: 08/26/2009
Schedule II - Expected Gas Cost

<u>Month</u>	<u>Expected</u>			<u>Mcf (Sold)</u>
	<u>Mcf (Purchased)</u>	<u>Rate</u>	<u>Cost</u>	
Jul-08	2,123	6.45	13,693	2,123
Aug-08	2,193	6.45	14,145	2,193
Sep-08	2,206	6.45	14,229	2,206
Oct-08	5,287	6.45	34,101	5,287
Nov-08	8,486	6.45	54,735	8,486
Dec-08	11,125	6.45	71,756	11,125
Jan-09	15,525	6.45	100,136	15,525
Feb-09	11,902	6.45	76,768	11,902
Mar-09	8,953	6.45	57,747	8,953
Apr-09	7,426	6.45	47,898	7,426
May-09	3,837	6.45	24,749	3,837
Jun-09	3,053	6.45	19,692	3,053
	<u>82,116</u>		<u>529,648</u>	<u>82,116</u>



August 26, 2009

Citipower, LLC
2122 Enterprise Rd.
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for October 2009 through December 2009 will be as calculated below:

Gas cost per Mcf	\$ 5.37
BTU factor	<u>\$ 1.08</u>
Total	\$ 6.45

Sincerely,

Daniel R Forsberg
President

2122 Enterprise Rd.
Greensboro, NC 27408
(336) 379-0800
(336) 379-0881 Fax