

May 31, 2017

INDIANA UTILITY  
REGULATORY COMMISSION

BEFORE THE

INDIANA UTILITY REGULATORY COMMISSION

APPLICATION OF WESTFIELD GAS )  
 LLC, D/BA/ CITIZENS GAS OF )  
 WESTFIELD FOR A CHANGE IN ) CAUSE NO.: 37389-GCA110  
 ITS GAS COST ADJUSTMENT CHARGE )  
 FOR THE PERIOD JUNE, JULY, AND )  
 AUGUST 2017 )

**SUBMISSION OF  
MONTHLY PRICE UPDATE FOR JUNE, 2017**

In its Order in Cause No. 44374 dated August 27, 2014, the Commission approved revised GCA procedures and schedules that will be utilized by Gas Distribution Utilities within the State of Indiana in accordance with Ind. Code § 8-1-2-42. Pursuant to the Commission’s Order, Westfield Gas, LLC, d/b/a Citizens Gas of Westfield hereby submits its June, 2017 Monthly Price Update to make adjustments to the GCA factor within a fixed, known and measurable range on a monthly basis. Documentation for the Monthly Price Update for the month of June, 2017 is provided herewith. The GCA factors are contained in the attached documentation.

Respectfully submitted,

/s/ Jason K. Fayorsey  
 Jason K. Fayorsey  
 Rates & Regulatory Analyst

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the Monthly Price Update for June, 2017 was served upon the Office of Utility Consumer Counselor via electronic mail on May 31, 2017, to the following:

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Westfield Gas, LLC

**APPENDIX A**

**CURRENT GAS SUPPLY CHARGES**

Listed below are the charges applicable to the Company's Gas Supply Services for all Therms delivered on or after June 1, 2017.

**Gas Supply Charge: \$ Per Therm**

Gas Rate D20	Gas Supply Charge	\$0.5477
Gas Rate D30	Gas Supply Charge	\$0.5477
Gas Rate D40	Gas Supply Charge	\$0.5477
Gas Rate D50	Gas Supply Charge	\$0.5477

Westfield Gas, LLC  
 Determination of Gas Cost Adjustment (GCA) Charge  
 Estimated for the Period June 2017  
 To Be Applied to the June 2017 Gas Sales

Line No.	A Demand	B Commodity and Other	C Total	
<u>Estimated Cost of Gas</u>				
1	Purchased gas cost (Schedule 3, ln 4)	\$7,650	\$69,175	\$76,825
2	Panhandle Winter Storage Costs (Schedule 4, ln 3)	-	14,654	14,654
3	Gas (injected into) withdrawn from storage - net cost (Schedule 5, ln 2)	(5,088)	(46,013)	(51,101)
4	Total estimated cost of gas (ln 1 + ln 2 + ln 3)	\$2,562	\$37,816	\$40,378
5	Total gas cost variance (Schedule 12B, ln 15 * Schedule 2, ln 23)	-	(88)	(88)
6	Dollars to be refunded (Schedule 12A, ln 13 * Schedule 2, ln 23)	-	0	0
7	Excess return reduction (Sch. 18, ln 26 * Sch 2, ln 23)	-	0	0
8	Total cost to be recovered through GCA (ln 4 + ln 5 - ln 6 - ln 7)	<u>\$2,562</u>	<u>\$37,728</u>	<u>\$40,290</u>
9	Net write-off recovery costs (ln 8, col. C * 0.30%)			121
10	Total cost to be recovered through GCA (ln 8 + ln 9)			<u>\$40,411</u>
11	Net write-off recovery costs (ln 9)			\$121
12	Sales subject to GCA - Dth (Sch. 2, ln 1)			7,483
13	Net write-off recovery cost per unit sales (ln 11 / ln 12)			<u>\$0.016</u>

Westfield Gas, LLC  
 Determination of Gas Cost Adjustment (GCA) Charge  
 Estimated for the Period June 2017  
 To Be Applied to June 2017 Gas Sales

<u>Line No.</u>	<u>Gas Cost Adjustment Rate</u>	
14	Total variance (In 5)	(\$88)
15	Dollars to be refunded (In 6)	0
16	Excess return reduction (In 7)	0
17	Other non-demand gas costs (In 4 col. B - In 2 col. B)	<u>23,162</u>
18	Total quarterly non-demand costs to be recovered by GCA (In 14 - In 15 - In 16 + In 17)	\$23,074
19	Sales subject to GCA - Dth (Schedule 2, In 1)	<u>7,483</u>
20	Total quarterly non-demand costs per unit sales (In 18 / In 19)	<u>\$3.084</u>
21	Pipeline demand costs (In 4, col A)	\$2,562
22	Sales subject to GCA - Dth (Schedule 2, In 1)	<u>7,483</u>
23	Pipeline demand cost to be recovered by GCA (In 21 / In 22)	<u>\$0.342</u>
24	Net write-off recovery cost (In. 13)	\$0.016
25	Panhandle Winter Storage Costs (Schedule 4, In 5)	<u>1,958</u>
26	Total cost to be recovered per unit sales (In 20 + In 23 + In 24 + In 25)	\$5.400
27	Gas cost adjustment charge modified for Utility Gross Receipts Tax ((line 26 / (1 -1.4% ))	<u>\$5.477</u>

Westfield Gas, LLC  
 Determination of Gas Cost Adjustment (GCA) Charge  
 Estimated June 2017  
 UAF Component in Rates (\$/DTH)

<u>Line No.</u>		<u>A Total</u>
1	Volume of pipeline gas purchases - Dths (Sch. 3)	24,054
2	Volume of Gas (injected into) / withdrawn from storage - Dths (Sch. 5)	<u>(16,000)</u>
3	Total volume available for sale - Dths	8,054
4	UAF Percentage 1.26%	<u>1.260%</u>
5	UAF Volumes (In 3 * In 4) - Dths	101
6	Average Commodity Rate - Sch. 3A	<u>\$2.8758</u>
7	UAF Costs (In 5 * In 6)	\$290
8	Retail sales volumes - Sch. 2, In 1	<u>7,483</u>
9	UAF Component in rates - \$ per Dth (In 7 / In 8) 1/	<u><u>\$0.0388</u></u>

1/ For informational purposes only

Westfield Gas, LLC  
Estimated Retail Sales Volume for Twelve Months Ending May, 2018

Line No.	Month	Total Retail Sales Volume Subject To GCA
1	June, 2017	7,483
2	July	6,796
3	August	6,759
4	First Quarter	<u>21,038</u>
5	September	12,437
6	October	26,295
7	November	50,554
8	Second Quarter	<u>89,286</u>
9	December	91,076
10	January, 2018	117,475
11	February	87,168
12	Third Quarter	<u>295,719</u>
13	March	63,235
14	April	32,012
15	May	20,169
16	Fourth Quarter	<u>115,416</u>
17	Total Sales - Dth	<u><u>521,459</u></u>

Quarterly Retail Allocation Factor

18	First Quarter (In 4 / In 17)	4.0344%
19	Second Quarter (In 8 / In 17)	17.1223%
20	Third Quarter (In 12 / In 17)	56.7100%
21	Fourth Quarter (In 16 / In 17)	<u>22.1333%</u>
22	Total (In 18 + In 19 + In 20 + In 21)	<u><u>100.0000%</u></u>

Monthly Retail Allocation Factor

23	First Month (In 1 / In 4)	35.5689%
24	Second Month (In 2 / In 4)	32.3035%
25	Third Month (In 3 / In 4)	<u>32.1276%</u>
26	Total (In 23 + In 24 + In 25)	<u><u>100.0000%</u></u>

Westfield Gas, LLC  
Purchased Gas Cost - Estimated  
June 2017

Line No.	Month and Supplier	A	B	C	D	E
		Estimated Purchases	Supplier Rates Estimated		Estimated Costs	
		Commodity Dth	Commodity \$/DTH	Demand	Commodity (A x B)	Total (C + D)
<u>June 2017</u>						
Exelon Generation, LLC						
1	Panhandle First of Month Purchases	20,244	\$2.9003	\$7,650	\$58,714	\$66,364
2	Fixed Price Purchases	3,810	2.7457		10,461	10,461
3	Excess Gas Purchases	0	0.0000		0	0
4	Sub-Total	<u>24,054</u>		<u>\$7,650</u>	<u>\$69,175</u>	<u>\$76,825</u>



Westfield Gas, LLC  
Calculation of the Projected Average Pipeline Rates

Line No	Description	June 2017
	<u>Commodity Volumes (Dth)</u>	
	Purchases:	
1	Panhandle First of Month Purchases (Sch. 3)	20,244
2	Fixed Price Purchases (Sch. 3)	3,810
3	Excess Gas Purchases	<u>0</u>
4	Total Volumes (Ln 1 + Ln 2 + Ln 3)	<u>24,054</u>
	<u>Demand Rate</u>	
5	Total Demand Costs (Sch. 3)	<u>\$7,650</u>
6	Demand Cost per Dth (Ln 5 / Ln 4)	<u><u>\$0.3180</u></u>
	<u>Commodity Rate</u>	
7	Panhandle First of Month Purchases (Sch. 3)	\$2.9003
8	Fixed Price Purchases (Sch. 3)	2.7457
9	Excess Gas Purchases	0.0000
	<u>Commodity Costs</u>	
10	Panhandle First of Month Purchases (Ln 1 x Ln 7)	\$58,714
11	Fixed Price Purchases (Ln 2 x Ln 8)	10,461
12	Excess Gas Purchases (Ln 3 x Ln 9)	0
13	Subtotal (Ln 10 + Ln 11 + Ln 12)	<u><u>\$69,175</u></u>
14	Commodity Cost per Dth (Ln 13 / Ln 4)	\$2.8758
15	Total Average Rate per Dth (Ln 6 + Ln 14)	<u><u>\$3.1938</u></u>

Westfield Gas, LLC  
Estimated Information  
June 2017

A	B	C	D	E	F
Line No.	June 2017	Volumes in Dth	Commodity Cost per Dth	Percent of Total Col. C/Gross Purchases	References
1	Fixed Price Purchases	3,810	\$2.7457	15.84%	Schedule 3, In 2
2	Panhandle First of Month Purchases	20,244	2.9003	84.16%	Schedule 3, In 1
3	Excess Gas Purchases	0	0.0000	0.00%	Schedule 3, In 3
4	Net Withdrawal	0	0.0000	0.00%	Schedule 4 & Schedule 5A
5	Gross Injection	(16,477)	2.8758		Schedule 4 & Schedule 5A
6	Total Volumes	7,577	\$2.8758	100.00%	In 1 + In 2 + In 3 + In 4 + In 5

Note: All Westfield Gas, LLC gas purchases are on the Panhandle Eastern Pipeline

Westfield Gas, LLC  
Panhandle Winter Storage  
June 2017

Ln. No.	<u>Calculation of Panhandle Winter Storage Costs / Unit</u>		
1	Monthly fixed costs		\$13,131
2	Monthly variable costs (ln 8)		1,523
3	Total monthly costs (ln 1 + ln 2)		\$14,654
4	Estimated monthly sales - Dth (Sch 2, ln 1)		7,483
5	Total storage monthly costs per unit sales (ln 3 / ln 4)		\$1.958

<u>Calculation of Monthly Variable Costs</u>		A	B	C	D	E
		Volumes			Compressor Fuel Rate	Total Compressor Fuel Cost
June 2017		Inject.	W/Drl.	Comp. Fuel		
6	Injection (Net) / Withdrawal (Gross)	16,000	0	477	\$3.1938	\$1,523
7	Injection (Gross) / Withdrawal (Net)	16,477	0			
8	Subtotal					\$1,523

Westfield Gas, LLC  
 Estimated Cost of Gas Injections and Withdrawals  
 June 2017

Line No.	Estimated Change		Estimated Cost of Gas								
	A	B	C		D		E	F	G	H	I
	Injections Dth	Withdrawals Dth	Injections		Withdrawals		Net		Demand	Commodity	Total
			Demand	Commodity	Demand	Commodity	Demand	Commodity			
	<u>June 2017</u>										
1	Panhandle Winter Storage	16,000	0	\$5,088	\$46,013	\$0	\$0	(\$5,088)	(\$46,013)	(\$51,101)	
2	Subtotal	<u>16,000</u>	<u>0</u>	<u>5,088</u>	<u>46,013</u>	<u>0</u>	<u>0</u>	<u>(5,088)</u>	<u>(46,013)</u>	<u>(51,101)</u>	

Westfield Gas, LLC  
 Demand Allocation of Injections and Withdrawals  
 From Panhandle Winter Storage  
 June 2017

	A	B	C	D	E	F	
	Volume DTH	Demand Cost	Commodity Cost	Total Cost	Total \$/DTH	Comm \$/DTH	
1	Beginning balance at June 1, 2017	68,440	\$31,597	\$198,011	\$229,608	\$3.3549	\$2.8932
2	Add: Net injections at cost	16,000	5,088	46,013	51,101	3.1938	2.8758
3	Less: Gross withdrawals - avg. unit cost	0	0	0	0	0.0000	0.0000

Westfield Gas, LLC  
Updated Monthly Price Calculation for the month of June 2017

Source: Gas Daily dated May 18, 2017

<b><u>June 2017</u></b>		NYMEX	\$ 3.1920		
		June 2017 MPU Price		40-day Filing Price	
		<u>Panhandle First of Month Purchases</u>			
Nymex		\$	3.1920	\$	3.3310
Basis		\$	(0.4370)	\$	(0.3850)
		\$	2.7550	\$	2.9460
fuel%	3.72%		0.9628		0.9628
		\$	2.8614	\$	3.0598
transportation	+	\$	0.0389	\$	0.0389
Prevailing Market Price		\$	<b><u>2.9003</u></b>	Benchmark Price	<b><u>3.0987</u></b>

Diff \$ (0.1390)

		NYMEX	\$ 3.1920		
		June 2017 MPU Price		NYMEX	
		<u>Excess Gas Service - Nominated</u>		40-day Filing Price	
Nymex		\$	3.1920	\$	3.3310
Basis		\$	(0.4370)	\$	(0.3850)
		\$	2.7550	\$	2.9460
fuel%	3.72%		0.9628		0.9628
		\$	2.8614	\$	3.0598
transportation	+	\$	0.6500	\$	0.6500
Prevailing Market Price		\$	<b><u>3.5114</u></b>	Benchmark Price	<b><u>3.7098</u></b>

Diff \$ (0.1390)

**WESTFIELD GAS, LLC**

Dollar Impact of GCA110 Monthly Update for June, 2017 on Typical Residential Heating Customer  
 In Comparison to Rate IURC Approved in Quarterly GCA

Dth	June 2017 Per Monthly Update	GCA-110 Per Order	Dollar Increase (Decrease)	Percent Change
5	\$59.57	\$60.54	(\$0.97)	(1.60)%
10	107.14	109.08	(1.94)	(1.78)%
15	150.62	153.53	(2.91)	(1.90)%
20	191.37	195.25	(3.88)	(1.99)%
25	232.12	236.97	(4.85)	(2.05)%

Dollar Impact of GCA110 Monthly Update for June, 2017 on Typical Residential Heating Customer  
 In Comparison to Rates Currently in Effect

Dth	June 2017 Per Monthly Update	Bill @ May 2017	Dollar Increase (Decrease)	Percent Change
5	\$59.57	\$52.55	\$7.02	13.36 %
10	107.14	93.10	14.04	15.08 %
15	150.62	129.56	21.06	16.26 %
20	191.37	163.29	28.08	17.20 %
25	232.12	197.02	35.10	17.82 %

Dollar Impact of GCA110 Monthly Update for June, 2017 on Typical Residential Heating Customer  
 In Comparison to Rates in Effect One Year Ago

Dth	June 2017 Per Monthly Update	Bill @ June 2016	Dollar Increase (Decrease)	Percent Change
5	\$59.57	\$53.88	\$5.69	10.56 %
10	107.14	101.96	5.18	5.08 %
15	150.62	145.10	5.52	3.80 %
20	191.37	184.95	6.42	3.47 %
25	232.12	224.80	7.32	3.26 %