

OFFICIAL
EXHIBITS

FILED
August 10, 2020
INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF VALLEY RURAL)
UTILITY COMPANY FOR APPROVAL)
OF ITS GAS COSTS AND GAS SUPPLY)
CONSISTENT WITH THE)
COMMISSION'S ORDERS IN CAUSE)
NO. 42115; AND FOR APPROVAL OF)
CHANGES IN ITS MONTHLY AND)
ANNUAL FILING REQUIREMENTS)

CAUSE NO.: 42115-GCA 17

IURC
PETITIONER'S
EXHIBIT NO. 2
10-5-20 AT
DATE REPORTER

VERIFIED TESTIMONY OF ANTHONY DESIATO

ON BEHALF OF

VALLEY RURAL UTILITY COMPANY

**VALLEY RURAL UTILITY COMPANY
DIRECT TESTIMONY OF ANTHONY A. DESIATO**

1 **1. Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Anthony A. Desiato and my business address is Utility Pipeline, Ltd., 4100
3 Holiday Street, Suite 201, Canton, Ohio 44718.

4 **2. Q. WHAT IS YOUR OCCUPATION?**

5 A. I currently serve as Controller of Utility Pipeline, Ltd. (UPL).

6 **3. Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND WORK RELATED
7 BACKGROUND WHICH YOU BELIEVE IS RELEVANT TO THIS FILING.**

8 A. I hold a BS degree in Accounting with a minor in Finance from the University of
9 Akron. I have worked with the Public Utilities Commission of Ohio. Since 2010, I
10 have been employed with UPL, where I now serve as the company's Controller. In
11 that role, I have general responsibility for finance, accounting and information systems.
12 With respect to VRUC, I have also been tasked with providing information to the
13 Indiana Utility Regulatory Commission (Commission) and the Office of Utility
14 Consumer Counselor (OUCC). I believe these experiences and responsibilities are
15 relevant to my testimony.

16 **4. Q. MR. DESIATO ARE YOU THE ONLY UPL EMPLOYEE THAT WORKS
17 WITH VRUC ON OBTAINING NATURAL GAS AND SERVING VRUC
18 CUSTOMERS?**

19 A. No. I am one of several employees who are involved in acquiring sufficient natural
20 gas at reasonable prices; causing such natural gas to be distributed to VRUC's
21 customers; and thereafter billing such customers to create sufficient revenue to recover

1 the cost of natural gas. VRUC is one of a number of natural gas utilities in five different
2 states serviced by UPL.

3 **5. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

4 A. My testimony is designed to support the Petition which initiated this cause; and to
5 address: (1) projected system load and customer growth, (2) VRUC's contractual
6 transportation and commodity entitlements, (3) projections of gas supply costs for the
7 upcoming year, and (4) VRUC's gas supply procurement experience for the past year.

8 **6. Q. PLEASE DESCRIBE WHAT VRUC IS SEEKING BY ITS PETITION**
9 **INITIATING THIS GCA 17.**

10 A. Essentially, VRUC is seeking the same thing it has sought in prior GCA proceedings.
11 It is asking the Commission to review the historic gas prices and billings for the twelve
12 month period of July 1, 2019 through June 30, 2020; and remove the interim
13 designation that may relate to those prices and billings. It is also asking the Commission
14 to review its gas supply plan and its estimated costs of natural gas in the succeeding
15 twelve months of July 1, 2020 through June 30, 2021.

16 **7. Q. IS THE INFORMATION CONTAINED IN THIS PETITION CORRECT?**

17 A. Yes I believe it is.

18 **8. Q. DID YOU PREPARE THE PETITION?**

19 A. No. VRUC's counsel of record prepared the Petition and forwarded it to me, and Floyd
20 Ogden for review and comment prior to its filing

21 **9. Q. DO YOU BELIEVE THE PETITION IS IN KEEPING WITH THE**

1 **ALTERNATIVE REGULATORY PLAN APPROVED BY THE COMMISSION**
2 **IN CAUSE NO. 42115 GCA 14-S1?**

3 A. Yes.

4 **10. Q. ARE YOU SPONSORING ANY EXHIBITS IN THIS PROCEEDING?**

5 A. Yes. I am sponsoring the Gas System Report (Exhibit B); the Projected Load and Gas
6 Cost Forecast Exhibit (Exhibit C); and the historical gas costs for VRUC for the period
7 July 1, 2019 through June 30, 2020 (Exhibit D).

8 **11. Q. WERE WORK PAPERS FILED WITH THE OUCC?**

9 A. Yes. UPL, on behalf of VRUC, provided work papers to the OUCC.

10 **12. Q. PLEASE EXPLAIN THE CURRENT STATUS OF THE VRUC**
11 **DISTRIBUTION SYSTEM.**

12 A. VRUC's distribution system is experiencing ongoing normal operations. I am aware
13 of no specific issues that VRUC or its customers are experiencing. Additional detail
14 concerning the system is shown in the Gas System Report (Exhibit B).

15 **13. Q. WHAT TYPE OF GROWTH HAS VRUC EXPERIENCED, AND WHAT**
16 **ADDITIONAL GROWTH IS EXPECTED IN THE NEXT TWELVE MONTHS?**

17 A. VRUC currently serves 627 customers. This represents an increase of 20 customers
18 during the past twelve months. For the upcoming year, we project that VRUC will add
19 17 additional households through June 2021. This projected growth is also reflected
20 in the Projected Load and Gas Cost Forecast Exhibit (Exhibit C).

21 **14. Q. HOW DOES VRUC EXPECT TO SERVE ITS PROJECTED LOAD?**

1 A. Under the terms of the Amended Management Agreement, UPL continues to assist
2 VRUC in obtaining natural gas supply. That supply is currently obtained through
3 Constellation for all upstream capacity and natural gas commodity. Constellation has
4 agreed to provide firm No Notice service to the city gate for VRUC. The contract with
5 Constellation allows VRUC to flow as much gas as required to serve the VRUC system.

6 **15. Q. WHAT ARE VRUC'S PROJECTED GAS COMMODITY COSTS FOR THE**
7 **UPCOMING TWELVE MONTHS?**

8 A. Exhibit C details our current projections for commodity costs expected to be incurred
9 from July 2020 through June 2021. Our projections of gas costs are based on the
10 NYMEX futures prices as of July 31, 2020. According to the terms of the
11 Commission's prior Orders, our actual commodity costs are capped at two dollars over
12 the gas commodity gas costs for spot gas for each month.

13 **16. Q. HAS UPL OBTAINED ANY HEDGING TO MITIGATE AGAINST**
14 **EXPOSURE TO MARKET VOLATILITY?**

15 A. Not as of the time of this filing. The current spot gas price is low and expected to
16 remain so for the foreseeable future. However, UPL will continue to monitor prices,
17 and if prices begin to show signs of significant increase, UPL will acquire fixed
18 contract supply as it has previously done for VRUC.

19 **17. Q. PLEASE EXPLAIN THE GAS PROCUREMENT RESULTS FOR THE PAST**
20 **YEAR.**

21 A. Exhibit D is a detailed summary of the actual monthly costs for gas service for VRUC
22 during the twelve months of July 1, 2019 through June 30, 2020. As you can see,

1 commodity costs have remained within the \$2.00/Dth “cap” authorized by the
2 Commission. Commodity costs actually averaged \$2.32/Dth. Exhibit D also reflects
3 the actual billed rate to VRUC’s customers.

4 **18. Q. FOR PURPOSES OF THIS GCA 17, WHICH MONTHS IS VRUC SEEKING**
5 **RECONCILIATION?**

6 A. July 2019 through June 2020.

7 **19. Q. WAS GAS DELIVERED TO VRUC’S CUSTOMERS AT THE LOWEST COST**
8 **REASONABLY POSSIBLE DURING THE PAST TWELVE MONTHS?**

9 A. Yes, it was.


10 **20. Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY IN THIS**
11 **PROCEEDING?**

12 A. Yes, it does.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served upon the following counsel of record by electronic delivery the 10th day of August, 2020:

Scott Franson
Indiana Office of Utility Consumer Counselor
115 West Washington Street
Suite 1500 South
Indianapolis, IN 46204
SFranson@oucc.IN.gov
infomgt@oucc.in.gov



Jeffrey M. Peabody

UTILITY PIPELINE LIMITED
4100 Holiday St. NW Suite 201
Canton, OH 44718
330-498-9130
330-498-9137 fax

Gas System Report – VALLEY RURAL UTILITY CO.
August 10, 2020
Cause No. 42115 GCA-17

Prepared By: Anthony Desiato, Utility Pipeline, Ltd., Agent

This report has been prepared to provide the required annual report on the Valley Rural Utility Co. gas distribution pipeline system located in Lawrenceburg, Indiana. The construction on this new pipeline system commenced on August 19, 2002. As of this date, the total pipe installed is as follows:

	<u>Total Project</u>
2" plastic	126,369'
4" plastic	32,323'
6" plastic	10,299'
Total	<hr/> 168,991'

Pipeline construction is now completed and no additional mainline has been added over the past 12 months. All meters have been upgraded with AMR technology through installation of ERTs by UPL.

Items requested by the IURC - pursuant to pages 10, 11 Paragraph 4(E), 1-6:

- 1. As-built engineering plans** - A final complete set of as-built engineering plans were submitted to the IURC on April 2, 2004, to the attention of Mr. William Boyd.
- 2. Gas Source** - The Valley Rural Utility Co. (VRUC) has primary, No-Notice Service with Constellation. All upstream transportation obligations will be through the broker, who will deliver firm service to the city gate. The mainline tap is located on Jackson Ridge Rd., on private property, on the NW side of the lake.
- 3. Operations and Maintenance** - The operations and maintenance duties for this distribution system are subcontracted to Utility Pipeline, Ltd. (UPL), a Canton, Ohio based engineering and pipeline operations company. UPL conducts its operations of the VRUC system with its own employees and through various subcontractors. The subcontractors include; Utility Technologies International Corporation (UTI) whose main office is located at 4700 Homer Lane, Groveport, OH 43125 (614) 482-8080, fax (614) 482-8070. UTI's president is Jason Julian. UTI is a privately-owned business not associated with Utility Pipeline, Ltd. (UPL). UTI provides emergency response, leakage surveys, regulatory inspections, plus other compliance duties. Probst Excavating,

a local contractor, also provides subcontracted services to UPL, such as line locating, emergency response, new taps and service lines, turn-ons, turn-offs, etc. His contact information is 12837 Cosby Dr., Aurora, IN 47001, 1(812) 926-2540, 1 (812) 926-2548 fax. Both are fully qualified for the services performed. UPL is the first party responsible to VRUC for O&M duties.

4. Customer Enrollment - As of this date, there are 627 meters in operation. This is an increase of 20 meters during the last 12 months.

5. Customer promotions and Sales literature - There are rebate programs to sign up for E-bill and connect additional appliances. A free service line promotion program ran through the summer of 2019.

6. Enrollment in Budget Billing - As of this date, there are 55 customers that have elected to go on the Budget Billing Program. This is offered to every new customer upon commencement of service. This is a decrease of 2 from the last report.

7. DirectPay - As of this date, there are 116 customers that have elected to go on the DirectPay Program. This program allows a customer to pay their monthly bill via credit card, and/or direct pay from their bank account. This is an increase of 14 from the last report.

Items requested by the OUCC - pursuant to pages 7, 8 Paragraph 9(F) 1-4:

1. Projected Load and customer growth - Attached

2. Gas Supply Contract - Constellation New Energy

3. Projected Gas Costs – Attached

4. Discussion of Gas Hedging Activity - See attached Schedule and monthly schedules as submitted.

Valley Rural Utility Co.
Hidden Valley Development
Dearborn County, Indiana
Texas Gas Transmission
TGT Project Log No T-2001-71
Projected Load

--Schedule C - July 31, 2020--

(I)		(II)	(III)	(A)	(B)	(C)	(1)	(2)	(3)		(3)	(A1)	(A2)	(A3)	
Hedged Gas Volumes							Commodity Gas	Tranp/Cap.							
							NYMEX	Basis	VRUC	Total	NYMEX	Max. Variable	Wt Avg	Projected	Projected
							31-Jul-20	\$/Dth	\$/Dth	Estimated	Cap Rate	Commodity	Fixed Price	Maximum	Maximum
Month	# homes	Projected Mo DTH per home	Total DTH	Hedge Volume Dth	Hedge Price \$/Dth	Hedge Cost \$/Dth			Burner tip \$/Dth	\$/Dth	Cap Price \$/Dth	Contracts \$/Dth	Comm price \$/Dth	Burner tip \$/Dth	
Jul-20	628	7	4,396				\$1.495	\$0.500	\$5.42	\$7.42	\$2.00	\$3.50	\$0.00	\$3.50	\$9.42
Aug-20	629	10	6,290				\$1.854	\$0.500	\$5.42	\$7.77	\$2.00	\$3.85	\$0.00	\$3.85	\$9.77
Sep-20	630	11	6,930				\$2.238	\$0.500	\$5.42	\$8.16	\$2.00	\$4.24	\$0.00	\$4.24	\$10.16
Oct-20	630	7	4,410				\$2.376	\$0.500	\$5.42	\$8.30	\$2.00	\$4.38	\$0.00	\$4.38	\$10.30
Nov-20	630	6	3,780				\$2.720	\$0.500	\$5.42	\$8.64	\$2.00	\$4.72	\$0.00	\$4.72	\$10.64
Dec-20	630	4	2,520				\$3.044	\$0.500	\$5.42	\$8.96	\$2.00	\$5.04	\$0.00	\$5.04	\$10.96
Jan-21	633	3	1,899				\$3.147	\$0.500	\$5.58	\$9.23	\$2.00	\$5.15	\$0.00	\$5.15	\$11.23
Feb-21	636	1	636				\$3.098	\$0.500	\$5.58	\$9.18	\$2.00	\$5.10	\$0.00	\$5.10	\$11.18
Mar-21	638	1	638				\$2.973	\$0.500	\$5.58	\$9.06	\$2.00	\$4.97	\$0.00	\$4.97	\$11.06
Apr-21	640	1	640				\$2.685	\$0.500	\$5.58	\$8.77	\$2.00	\$4.69	\$0.00	\$4.69	\$10.77
May-21	642	3	1,926				\$2.647	\$0.500	\$5.58	\$8.73	\$2.00	\$4.65	\$0.00	\$4.65	\$10.73
Jun-21	644	5	3,220				\$2.674	\$0.500	\$5.58	\$8.76	\$2.00	\$4.67	\$0.00	\$4.67	\$10.76
		59	37,285												

I	Projected number of homes utilizing gas service
II	Projected average monthly consumption per home
III	Total projected DTH usage by month
A-C	Actual hedged gas as of the filing date (Volume, Rate, Cost)
1	Published NYMEX NG futures price by month as of the date listed
2	Transportation costs (basis)
3	Delivery and Cap Rate per settlement agreement

(A1) Maximum Variable Commodity Price by Month

(A2) Fixed Commodity Price by Month

(A3) Maximum Blended (Variable and Fixed) Commodity Price by Month

Valley Rural Utility Co
Cause No. 42115 GCA-16
Hidden Valley Lake, Indiana

Natural Gas Information

Distribution: Indiana Utility Regulatory Commission
Indiana Office of Utility Consumer Counselor
Board of Directors - Valley Rural Utility Co.
VRUC Counsel - P.Price; Barnes & Thornburg LLP

Table Of Contents

I. Published Tariff

Lists the Monthly Base Rate and Tariff Billed to Customers

II. Commodity Cap Summary

Details the components of Gas Supply Billed to Customers
and the comparison to the commodity cap

III. Gas Supply Balancing

Details the total amounts of Gas Supply Billed to Customers
and the Gas Supply purchases
Details the current variance between Gas Supply sales and
purchases

IV. Hedged Volumes

Lists the volumes, price, and supplier for hedged gas contracts

V. Customer Count

Lists to monthly number of invoices mailed and the number
of accounts utilizing the budget billing program

Valley Rural Utility Co
Natural Gas Base Rate Information
8/10/2020 14:41

Consumption Period:	June-20
Billing Date:	July 12, 2019
I. Gas Supply Rate (per Mcf) less refunc	\$2.22
II. Delivery (per Mcf)	\$5.42
III. Service Charge	\$16.26
IV. Sales Tax Rate (% of I. & II.)	7.00%

Valley Rural Utility Co.
Gas Commodity Cap Analysis Per Mcf
 Annual Report (July 2019 - June 2020)

Consump Month	Annual Report Commodity	Gas Commodity Invoiced	Gas Commodity Adjustment	Transport & Capacity	Total Gas Supply Rate	Commodity Rate Under Cap	
Jul-19	\$4.29	\$2.29	\$0.00	\$0.50	\$2.79	\$2.00	46.6%
Aug-19	\$4.14	\$2.14	\$0.00	\$0.50	\$2.64	\$2.00	48.3%
Sep-19	\$4.22	\$2.25	\$0.00	\$0.50	\$2.75	\$1.97	46.7%
Oct-19	\$4.23	\$2.43	\$0.00	\$0.50	\$2.93	\$1.80	42.6%
Nov-19	\$4.32	\$2.60	\$0.00	\$0.50	\$3.10	\$1.72	39.8%
Dec-19	\$4.51	\$2.47	\$0.00	\$0.50	\$2.97	\$2.04	45.2%
Jan-20	\$4.63	\$1.96	\$0.00	\$0.50	\$2.46	\$2.67	57.7%
Feb-20	\$4.60	\$1.88	\$0.00	\$0.50	\$2.38	\$2.72	59.1%
Mar-20	\$4.53	\$1.82	\$0.00	\$0.50	\$2.32	\$2.71	59.8%
Apr-20	\$4.36	\$1.63	\$0.00	\$0.50	\$2.13	\$2.73	62.6%
May-20	\$4.34	\$1.79	\$0.00	\$0.50	\$2.29	\$2.55	58.8%
Jun-20	\$4.39	\$1.72	\$0.00	\$0.50	\$2.22	\$2.67	60.8%

Note: All amounts are dollars per Mcf.

Note: The Gas Commodity Adjustment is the recovery/refund for variances.

II. Commodity Cap Summary

Exhibit D

Valley Rural Utility Gas Supply Reconciliation

	I	II	III	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q				
Consump Month	Gas Supply Cap Rate			Sales - Gas Supply					Purchases												Gas Supply Variance		Accumulated Variance	
	Commodity Cap Rate	Actual Transport Rate	Max Gas Supply Rate	Billed Rate	Volume			Total Billed Gas Supply	Commodity						Transport / Firm Capacity		Total Purchases							
					MCF	BTU Factor	DTH		Supplier	Rate	DTH	Amt	Admin Fee	Commodity Rate	Volume MMBTU	Total		Transport Rate						
																			Volume	Dollars	Volume	Dollars		
Jul-19	\$4.29	\$ 0.500	\$ 4.790	\$ 2.790	620.2	1.066	660.9	\$ 1,730.52	Constellation	\$ 2.451	601	\$ 1,473.14	\$ -	\$ 1,473.14	\$ 2.451	0	\$ -	0.43	\$ 1,473.14	59.9	\$ 257.38	(7,583.3)	\$ 14,699.02	
Aug-19	\$4.14	\$ 0.500	\$ 4.640	\$ 2.640	587.5	1.063	624.6	\$ 1,550.92	Constellation	\$ 2.296	623	\$ 1,430.60	\$ -	\$ 1,430.60	\$ 2.296	0	\$ -	0.43	\$ 1,430.60	1.6	\$ 120.32	(7,581.7)	\$ 14,819.34	
Sep-19	\$4.22	\$ 0.500	\$ 4.720	\$ 2.750	512.7	1.065	545.9	\$ 1,411.08	Constellation	\$ 2.408	608	\$ 1,464.10	\$ -	\$ 1,464.10	\$ 2.408	0	\$ -	0.43	\$ 1,464.10	(62.1)	\$ (53.02)	(7,643.8)	\$ 14,766.32	
Oct-19	\$4.23	\$ 0.500	\$ 4.730	\$ 2.930	2,387.2	1.064	2,539.7	\$ 6,994.87	Constellation	\$ 2.553	1,532	\$ 3,910.97	\$ -	\$ 3,910.97	\$ 2.553	0	\$ -	0.43	\$ 3,910.97	1,007.7	\$ 3,083.90	(6,636.1)	\$ 17,850.22	
Nov-19	\$4.32	\$ 0.500	\$ 4.820	\$ 3.100	6,162.6	1.066	6,570.6	\$ 19,104.06	Constellation	\$ 2.767	5,572	\$ 15,418.54	\$ -	\$ 15,418.54	\$ 2.767	0	\$ -	0.43	\$ 15,418.54	998.6	\$ 3,685.52	(5,637.5)	\$ 21,535.74	
Dec-19	\$4.51	\$ 0.500	\$ 5.010	\$ 2.970	6,087.0	1.066	6,487.3	\$ 18,078.81	Constellation	\$ 2.616	6,548	\$ 17,130.98	\$ -	\$ 17,130.98	\$ 2.616	0	\$ -	0.43	\$ 17,130.98	(60.7)	\$ 947.83	(5,698.2)	\$ 22,483.57	
Jan-20	\$4.63	\$ 0.500	\$ 5.130	\$ 2.460	7,253.5	1.070	7,760.4	\$ 17,843.54	Constellation	\$ 2.376	6,996	\$ 16,621.14	\$ -	\$ 16,621.14	\$ 2.376	0	\$ -	0.43	\$ 16,621.14	764.4	\$ 1,222.40	(4,933.8)	\$ 23,705.97	
Feb-20	\$4.60	\$ 0.500	\$ 5.100	\$ 2.380	6,174.8	1.071	6,616.3	\$ 14,696.02	Constellation	\$ 2.049	7,014	\$ 14,373.23	\$ -	\$ 14,373.23	\$ 2.049	0	\$ -	0.43	\$ 14,373.23	(397.7)	\$ 322.79	(5,331.5)	\$ 24,028.76	
Mar-20	\$4.53	\$ 0.500	\$ 5.030	\$ 2.320	3,055.0	1.070	3,268.4	\$ 7,087.61	Constellation	\$ 2.038	3,906	\$ 7,959.96	\$ -	\$ 7,959.96	\$ 2.038	0	\$ -	0.43	\$ 7,959.96	(637.6)	\$ (872.35)	(5,969.1)	\$ 23,156.41	
Apr-20	\$4.36	\$ 0.500	\$ 4.860	\$ 2.130	2,553.1	1.065	2,718.4	\$ 5,438.28	Constellation	\$ 1.817	2,730	\$ 4,960.68	\$ -	\$ 4,960.68	\$ 1.817	0	\$ -	0.43	\$ 4,960.68	(11.6)	\$ 477.60	(5,980.8)	\$ 23,634.01	
May-20	\$4.34	\$ 0.500	\$ 4.840	\$ 2.290	1,351.0	1.066	1,439.5	\$ 3,094.21	Constellation	\$ 1.954	1,626	\$ 3,177.02	\$ -	\$ 3,177.02	\$ 1.954	0	\$ -	0.43	\$ 3,177.02	(186.5)	\$ (82.81)	(6,167.2)	\$ 23,551.20	
Jun-20	\$4.39	\$ 0.500	\$ 4.890	\$ 2.220	649.3	1.064	690.6	\$ 1,441.48	Constellation	\$ 1.873	686	\$ 1,284.78	\$ -	\$ 1,284.78	\$ 1.873	0	\$ -	0.43	\$ 1,284.78	4.6	\$ 156.70	(6,162.6)	\$ 23,707.90	
Totals					37,393.9		39,922.6	\$ 98,471.40			38,442	\$ 89,205.14	\$ -	\$ 89,205.14	\$ 2.321	0	\$ -	#DIV/0!	\$ 89,205.14	1,480.6	\$ 9,266.26			
		L	I + II				B*1.02	A*B				E*F		G+H	I/F		K/F	I+K	C-F	D-M				

Carryforward from 2019 Report

(7,643.2) \$ 14,441.64

I	Based on 16th Annual Report (July 2019 - June 2020)
II	Actual Basis for Firm Transportation from Proliance
III	Maximum monthly "Gas Supply" (Commodity + Transportation) Rate
A-D	Summary of Customer Bills for Gas Supply by Month
E-J	Summary of Purchase Invoices from Gas Broker
J-L	Summary of Purchase Invoices from Interstate Gas Transmission Company
M	Total Gas Supply Purchases by Month

N	The volume difference for the current month between the total actual gas volume billed to customers and the gas volume purchased
O	The dollar amount difference for the current month between the total actual gas cost recovery billed to customers and the actual gas cost (including upstream basis and transportation) purchased
P	The cumulative volume difference since inception between the total actual gas volume billed to customers and the gas volume purchased
Q	The cumulative dollar amount difference since inception between the total actual gas cost recovery billed to customers and the actual gas cost purchased (including upstream basis and transportation)

Exhibit D

Valley Rural Utility Gas Supply Reconciliation

	E	F	G	H	I	J	K	L	M							
Consump Month	Purchases															
	Commodity							Interstate Transport / Firm Capacity (Texas Gas)						Total Purchases		
	Volume			Admin		Commodity		Pymt Info		Volume		Transport			Pymt Info	
	Supplier	Rate	DTH	Amt	Fee	Total	Rate	Ck#	Ck Date	MMBTU	Total	Rate	Ck#		Ck Date	
Jul-19	Constellation	\$ 2.451	601	\$ 1,473.14	\$ -	\$ 1,473.14	\$ 2.451			0	\$ -	\$ 0.500			\$ 1,473.14	
Aug-19	Constellation	\$ 2.296	623	\$ 1,430.60	\$ -	\$ 1,430.60	\$ 2.296			0	\$ -	\$ 0.500			\$ 1,430.60	
Sep-19	Constellation	\$ 2.408	608	\$ 1,464.10	\$ -	\$ 1,464.10	\$ 2.408			0	\$ -	\$ 0.500			\$ 1,464.10	
Oct-19	Constellation	\$ 2.553	1,532	\$ 3,910.97	\$ -	\$ 3,910.97	\$ 2.553			0	\$ -	\$ 0.500			\$ 3,910.97	
Nov-19	Constellation	\$ 2.767	5,572	\$ 15,418.54	\$ -	\$ 15,418.54	\$ 2.767			0	\$ -	\$ 0.500			\$ 15,418.54	
Dec-19	Constellation	\$ 2.616	6,548	\$ 17,130.98	\$ -	\$ 17,130.98	\$ 2.616			0	\$ -	\$ 0.500			\$ 17,130.98	
Jan-20	Constellation	\$ 2.376	6,996	\$ 16,621.14	\$ -	\$ 16,621.14	\$ 2.376			0	\$ -	\$ 0.500			\$ 16,621.14	
Feb-20	Constellation	\$ 2.049	7,014	\$ 14,373.23	\$ -	\$ 14,373.23	\$ 2.049			0	\$ -	\$ 0.500			\$ 14,373.23	
Mar-20	Constellation	\$ 2.038	3,906	\$ 7,959.96	\$ -	\$ 7,959.96	\$ 2.038			0	\$ -	\$ 0.500			\$ 7,959.96	
Apr-20	Constellation	\$ 1.817	2,730	\$ 4,960.68	\$ -	\$ 4,960.68	\$ 1.817			0	\$ -	\$ 0.500			\$ 4,960.68	
May-20	Constellation	\$ 1.954	1,626	\$ 3,177.02	\$ -	\$ 3,177.02	\$ 1.954			0	\$ -	\$ 0.500			\$ 3,177.02	
Jun-20	Constellation	\$ 1.873	686	\$ 1,284.78	\$ -	\$ 1,284.78	\$ 1.873			0	\$ -	\$ 0.500			\$ 1,284.78	
Totals			38,442	\$ 89,205.14	\$ -	\$ 89,205.14	\$ 2.321			0	\$ -	#DIV/0!			\$ 89,205.14	
				E*F		G+H	I/F					K/F			I+K	

I	Based on 16th Annual Report (July 2019 - June 2020)
II	Calculated Transportation Rate for Firm Capacity from Texas Gas Transmission
III	Maximum monthly "Gas Supply" (Commodity + Transportation) Rate
A-D	Summary of Customer Bills for Gas Supply by Month
E-I	Summary of Purchase Invoices from Gas Broker
J-L	Summary of Purchase Invoices from Interstate Gas Transmission Company
M	Total Gas Supply Purchases by Month

Valley Rural Utility Co
Hedged Gas Volumes

Month	Volume Hedged	Henry Hub Price	Supplier
Nov-05	390	\$6.725	Proliance
Dec-05	403	\$6.910	Proliance
Jan-06	403	\$7.065	Proliance
Feb-06	364	\$7.030	Proliance
Mar-06	403	\$6.860	Proliance
Oct-06	500	\$12.548	Proliance
Nov-06	1,200	\$12.548	Proliance
Dec-06	2,500	\$12.548	Proliance
Jan-07	2,750	\$12.548	Proliance
Feb-07	2,150	\$12.548	Proliance
Mar-07	1,750	\$12.548	Proliance
Oct-07	300	\$11.585	Proliance
Nov-07	1,000	\$11.585	Proliance
Dec-07	1,400	\$11.585	Proliance
Jan-08	1,400	\$11.585	Proliance
Feb-08	1,300	\$11.585	Proliance
Mar-08	1,000	\$11.585	Proliance
Dec-08	3,000	\$9.11	Proliance
Jan-09	3,300	\$9.33	Proliance
Feb-09	2,100	\$9.38	Proliance
Mar-09	1,800	\$9.31	Proliance
Apr-09	1,200	\$9.22	Proliance
May-09	900	\$9.26	Proliance
Jun-09	300	\$9.40	Proliance
Jul-09	300	\$9.49	Proliance
Aug-09	300	\$9.55	Proliance
Sep-09	450	\$9.57	Proliance
Oct-09	900	\$9.65	Proliance
Nov-09	2,100	\$9.98	Proliance
Dec-09	3,000	\$10.33	Proliance
Jan-10	3,300	\$10.61	Proliance
Feb-10	2,100	\$10.55	Proliance
Mar-10	1,800	\$10.43	Proliance
Oct-11	275	\$5.41	Proliance
Nov-11	550	\$5.53	Proliance
Dec-11	1,100	\$5.75	Proliance
Jan-12	1,200	\$5.87	Proliance
Feb-12	1,000	\$5.88	Proliance
Mar-12	600	\$5.85	Proliance

IV. Hedged Volumes

Valley Rural Utility Co
Customer Bills

Month of Consumption	Total Number of Bills	Number of Budget Billing Active Customers
May-03	33	9
Jun-03	39	10
Jul-03	49	11
Aug-03	58	13
Sep-03	82	18
Oct-03	100	22
Nov-03	133	27
Dec-03	155	27
Jan-04	163	28
Feb-04	172	32
Mar-04	184	32
Apr-04	189	32
May-04	199	30
Jun-04	207	30
Jul-04	215	27
Aug-04	224	26
Sep-04	235	26
Oct-04	252	26
Nov-04	260	25
Dec-04	264	25
Jan-05	267	25
Feb-05	271	25
Mar-05	271	25
Apr-05	274	25
May-05	274	25
Jun-05	275	27
Jul-05	278	27
Aug-05	282	30
Sep-05	284	30
Oct-05	290	30
Nov-05	301	30
Dec-05	305	29
Jan-06	311	29

V. Customer Count

Feb-06	313	29
Mar-06	315	29
Apr-06	317	29
May-06	319	29
Jun-06	321	29
Jul-06	322	55
Aug-06	325	55
Sep-06	327	55
Oct-06	330	55
Nov-06	335	55
Dec-06	337	55
Jan-07	337	56
Feb-07	337	56
Mar-07	341	55
Apr-07	341	55
May-07	342	55
Jun-07	345	62
Jul-07	348	67
Aug-07	351	67
Sep-07	355	67
Oct-07	360	67
Nov-07	364	67
Dec-07	366	67
Jan-08	367	66
Feb-08	367	66
Mar-08	367	68
Apr-08	367	70
May-08	370	72
Jun-08	372	73
Jul-08	369	75
Aug-08	371	78
Sep-08	372	80
Oct-08	373	80
Nov-08	374	80
Dec-08	374	80
Jan-09	375	80
Feb-09	375	80
Mar-09	375	80
Apr-09	376	78
May-09	376	78
Jun-09	376	78
Jul-09	376	78

V. Customer Count

Aug-09	380	84
Sep-09	381	88
Oct-09	381	88
Nov-09	380	88
Dec-09	381	88
Jan-10	384	88
Feb-10	386	86
Mar-10	386	86
Apr-10	386	86
May-10	389	87
Jun-10	387	87
Jul-10	391	86
Aug-10	391	86
Sep-10	390	87
Oct-10	395	87
Nov-10	404	86
Dec-10	406	86
Jan-11	409	86
Feb-11	414	86
Mar-11	413	86
Apr-11	416	86
May-11	420	86
Jun-11	418	86
Jul-11	420	86
Aug-11	421	86
Sep-11	421	86
Oct-11	424	86
Nov-11	425	81
Dec-11	426	81
Jan-12	427	81
Feb-12	428	81
Mar-12	428	81
Apr-12	428	78
May-12	431	78
Jun-12	431	78
Jul-12	431	78
Aug-12	434	78
Sep-12	439	78
Oct-12	442	78
Nov-12	444	78
Dec-12	447	78
Jan-13	446	78

V. Customer Count

Feb-13	451	78
Mar-13	447	78
Apr-13	447	78
May-13	451	80
Jun-13	452	79
Jul-13	461	79
Aug-13	459	79
Sep-13	464	79
Oct-13	473	79
Nov-13	476	79
Dec-13	478	79
Jan-14	479	79
Feb-14	482	83
Mar-14	487	83
Apr-14	487	83
May-14	491	83
Jun-14	492	79
Jul-14	492	77
Aug-14	498	77
Sep-14	503	77
Oct-14	509	77
Nov-14	520	77
Dec-14	527	77
Jan-15	528	77
Feb-15	526	75
Mar-15	528	75
Apr-15	529	75
May-15	530	72
Jun-15	526	72
Jul-15	532	73
Aug-15	534	73
Sep-15	536	75
Oct-15	539	74
Nov-15	539	74
Dec-15	544	75
Jan-16	545	75
Feb-16	550	75
Mar-16	554	74
Apr-16	554	74
May-16	551	74
Jun-16	557	71
Jul-16	553	71

V. Customer Count

Aug-16	549	71
Sep-16	552	71
Oct-16	554	71
Nov-16	561	71
Dec-16	559	71
Jan-17	558	69
Feb-17	559	68
Mar-17	562	65
Apr-17	557	64
May-17	560	64
Jun-17	561	65
Jul-17	560	65
Aug-17	561	66
Sep-17	564	66
Oct-17	565	66
Nov-17	572	66
Dec-17	566	66
Jan-18	570	66
Feb-18	574	66
Mar-18	578	65
Apr-18	576	64
May-18	578	64
Jun-18	579	64
Jul-18	583	62
Aug-18	587	61
Sep-18	581	61
Oct-18	594	61
Nov-18	599	60
Dec-18	603	58
Jan-19	603	58
Feb-19	606	58
Mar-19	605	58
Apr-19	605	58
May-19	606	57
Jun-19	607	57
Jul-19	607	57
Aug-19	608	59
Sep-19	611	58
Oct-19	620	58
Nov-19	622	58
Dec-19	622	57
Jan-20	622	57

V. Customer Count

Feb-20	623	56
Mar-20	624	55
Apr-20	624	54
May-20	626	54
Jun-20	627	55