

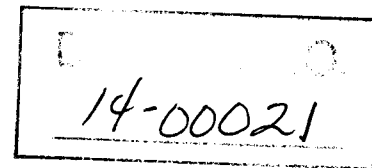
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T.R.A. DOCKET ROOM



February 25<sup>th</sup>, 2013

Sharla Dillon  
Tennessee Regulatory Authority  
502 Deadrick St  
4<sup>th</sup> Floor  
Nashville, TN 37243-0505

Re: ACA filing



Dear Ms. Dillon,

Enclosed please find an original hard copy and two digital copies of the ACA filing for the Navitas TN NG, LLC Jellico and Byrdstown systems.

Navitas TN NG LLC would like to request that the ACA for both systems be combined. Moving forward we would like a single ACA and a single base PGA for the entire state of Tennessee. This is how we calculate the gas costs for the other states in which we operate.

The starting ACA in 2013 for the Jellico system was **negative \$92,386.96** and the ending balance for the year was **positive \$4,128.43** according to our calculations. In the Byrdstown/Fentress system our starting ACA in 2013 was **negative \$18,925.78** and the ending balance for the year was **positive \$24,660.17**. Based on the sales in the Jellico system, we project that the ACA will change from **(0.23180)** to **0.00933**. However, based on our sales in the Byrdstown system, we project that the ACA will change from **(0.31850)** to **0.24792**. We believe that the change will be too extreme for the customers in Byrdstown. There are only about 68 customers in the Byrdstown system and the under collected balance of \$24,660.17 comes out to an under collection of \$362.65 per customer. However, if the ACA for the systems were combined to **\$28,788.60** and spread out across the entire usage in the state, the ACA would be about **0.05312** for the state.

If the TRA would allow this change to happen, Navitas TN NG would file to move the base PGA in both systems to the same number. Currently the bas PGA in Jellico is **0.55095** with a filing asking to move it to **0.61624** starting 3/1/2014. In Byrdstown the base PGA is currently **0.89000** with a filing asking to move it to **1.06854** starting 3/1/2014. If we receive a single ACA we will change the base PGA to **0.52482** for the state. Combined with the single **0.05312** ACA, the total PGA for the state would become **0.57794**. Without the single ACA and single PGA the rates will be around **0.50658** in Jellico and **1.03792** in Byrdstown

If you have any questions I can be reached at 714.242.4064 or [joey@navitasutility.com](mailto:joey@navitasutility.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph M. Irwin Jr.", with a stylized flourish at the end.

Joe Irwin Jr.

Line	Commodity	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	TOTAL
1	Beginning Balance	(92,386.96)	(79,428.88)	(69,748.12)	(54,142.50)	(51,071.83)	(46,170.03)	(42,482.72)	(39,983.95)	(37,167.60)	(34,628.01)	(27,270.53)	(12,075.71)	(92,386.96)
2	Invoiced Gas Costs	32,614.27	28,097.52	31,182.25	16,378.08	10,273.97	7,153.35	5,984.16	5,711.36	5,999.40	11,540.26	25,489.35	33,084.24	213,508.21
	Gas Cost Recovery													
3	Cost Recovery-Sales Customers	37,313.14	34,990.99	29,800.80	25,290.14	10,067.32	6,427.95	6,320.05	5,227.59	6,299.16	7,678.53	19,184.40	31,600.24	220,000.31
4	ACA Refund/Surcharge	(17,889.30)	(16,775.97)	(14,191.71)	(12,125.02)	(4,826.65)	(3,081.80)	(2,946.18)	(2,436.91)	(2,936.44)	(3,579.46)	(8,943.08)	(14,730.89)	(104,463.41)
5	Ending Balance Before Interest	(79,196.53)	(69,546.38)	(53,974.96)	(50,929.54)	(46,038.53)	(42,362.83)	(39,872.43)	(37,063.27)	(34,530.92)	(27,186.82)	(12,022.50)	4,139.18	5,584.35
6	Average Monthly Balance	(85,791.75)	(74,487.63)	(61,861.54)	(52,536.02)	(48,555.18)	(44,266.43)	(41,177.58)	(38,523.61)	(35,849.26)	(30,907.42)	(19,646.52)	(3,968.27)	
7	Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
8	Calculated Interest-Commodity	(232.35)	(201.74)	(167.54)	(142.29)	(131.50)	(119.89)	(111.52)	(104.33)	(97.09)	(83.71)	(53.21)	(10.75)	(1,455.92)
9	Ending Balance Including Interest	(79,428.88)	(69,748.12)	(54,142.50)	(51,071.83)	(46,170.03)	(42,482.72)	(39,983.95)	(37,167.60)	(34,628.01)	(27,270.53)	(12,075.71)	4,128.43	4,128.43

Navitas TN NG  
Jellico Division  
Invoiced Gas Cost

Month	
Jan-13	32,614.27
Feb-13	28,097.52
Mar-13	31,182.25
Apr-13	16,378.08
May-13	10,273.97
Jun-13	7,153.35
Jul-13	5,984.16
Aug-13	5,711.36
Sep-13	5,999.40
Oct-13	11,540.26
Nov-13	25,489.35
Dec-13	33,084.24
Total	213,508.21

Navitas TN NG  
Jellico Division  
Gas Cost Recovery

Month	Sales CCF	Base PGA	PGA Adjuster	PGA Recoveries	ACA Factor	ACA Rcvry/(Rfnd)
Jan-13	75,039	0.49725		37,313.14	(0.23840)	(17,889.30)
Feb-13	70,369	0.49725		34,990.99	(0.23840)	(16,775.97)
Mar-13	59,529	0.49725		29,600.80	(0.23840)	(14,191.71)
Apr-13	50,860	0.49725		25,290.14	(0.23840)	(12,125.02)
May-13	20,246	0.49725		10,067.32	(0.23840)	(4,826.65)
Jun-13	12,927	0.49725		6,427.95	(0.23840)	(3,081.80)
Jul-13	12,710	0.49725		6,320.05	(0.23180)	(2,946.18)
Aug-13	10,513	0.49725		5,227.59	(0.23180)	(2,436.91)
Sep-13	12,668	0.49725		6,299.16	(0.23180)	(2,936.44)
Oct-13	15,442	0.49725		7,678.53	(0.23180)	(3,579.46)
Nov-13	38,581	0.49725		19,184.40	(0.23180)	(8,943.08)
Dec-13	63,550	0.49725		31,600.24	(0.23180)	(14,730.89)
	<u>442,434</u>			<u>220,000.31</u>		<u>(104,463.41)</u>

Navitas TN NG  
Byrdstown/Fentress Division  
ACA Leadsheet

Line	Commodity	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	TOTAL
1	Beginning Balance	<b>(18,928.78)</b>	(15,738.72)	(11,871.98)	(8,839.80)	(5,389.47)	(4,291.56)	(3,430.70)	(2,761.82)	(2,188.07)	(1,484.64)	1,050.33	8,434.33	(18,925.78)
2	Invoiced Gas Costs	9,855.81	9,206.21	7,540.02	6,469.25	1,755.43	1,367.12	894.68	775.76	944.16	3,456.82	9,204.73	19,590.53	70,890.52
	Gas Cost Recovery													
3	Cost Recovery-Sales Customers	9,885.88	7,980.51	6,742.50	4,560.43	969.98	746.29	602.81	541.53	653.63	2,554.22	5,083.53	9,452.66	49,553.97
4	ACA Refund/Surcharge	(3,244.01)	(2,678.38)	(2,262.88)	(1,530.55)	(325.54)	(250.47)	(385.39)	(346.21)	(417.87)	(1,632.95)	(3,249.97)	(6,043.22)	(22,367.44)
5	Ending Balance Before Interest	(15,891.84)	(11,834.64)	(8,811.59)	(5,370.23)	(4,278.47)	(3,420.26)	(2,753.45)	(2,181.38)	(1,479.67)	1,050.92	8,421.50	24,615.42	24,778.21
6	Average Monthly Balance	(17,308.81)	(13,786.68)	(10,341.78)	(7,104.91)	(4,833.97)	(3,855.91)	(3,092.08)	(2,471.60)	(1,833.87)	(216.86)	4,735.91	16,524.87	
7	Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
8	Calculated Interest-Commodity	(46.88)	(37.34)	(28.01)	(19.24)	(13.09)	(10.44)	(8.37)	(6.69)	(4.97)	(0.59)	12.83	44.75	(118.04)
9	Ending Balance Including Interest	<u>(15,738.72)</u>	<u>(11,871.98)</u>	<u>(8,839.80)</u>	<u>(5,389.47)</u>	<u>(4,291.56)</u>	<u>(3,430.70)</u>	<u>(2,761.82)</u>	<u>(2,188.07)</u>	<u>(1,484.64)</u>	<u>1,050.33</u>	<u>8,434.33</u>	<u>24,660.17</u>	<u>24,660.17</u>

Navitas TN NG  
Byrdstown/Fentress Division  
Invoiced Gas Cost

Month	Petrol	B&W	Spectra	Total	TN%	TN Total
Jan-13	33,624.80	4,391.69	1,670.00	39,686.49	24.33%	9,655.81
Feb-13	38,579.76	(6,307.23)	1,670.73	33,943.26	27.12%	9,206.21
Mar-13	37,500.48	(1,670.04)	1,683.01	37,513.45	20.10%	7,540.02
Apr-13	18,530.52	4,271.37	1,673.60	24,475.49	26.55%	6,499.25
May-13	8,276.05	6,078.02	1,691.85	16,045.92	10.94%	1,755.43
Jun-13	190.80	7,821.29	1,670.92	9,683.01	14.12%	1,367.12
Jul-13	673.53	4,538.09	1,670.73	6,882.35	13.00%	894.68
Aug-13	561.60	6,015.53	1,672.18	8,249.31	9.40%	775.76
Sep-13	3,222.51	3,612.88	1,670.00	8,505.39	11.10%	944.16
Oct-13	8,777.28	3,919.63	1,671.79	14,368.70	24.06%	3,456.82
Nov-13	25,673.12	2,907.35	1,678.60	30,259.07	30.42%	9,204.73
Dec-13	45,802.40	12,439.88	1,680.53	59,922.81	32.69%	19,590.53
Total	221,412.85	48,018.46	20,103.94	289,535.25		70,890.52

Allocations

	KY Sales	Byrd Sales	Total Sales	KY %	TN %
Jan-13	60,725	19,525	80,250	75.67%	24.33%
Feb-13	43,043	16,019	59,062	72.88%	27.12%
Mar-13	53,801	13,534	67,335	79.90%	20.10%
Apr-13	25,319	9,154	34,473	73.45%	26.55%
May-13	15,850	1,947	17,797	89.06%	10.94%
Jun-13	9,112	1,498	10,610	85.88%	14.12%
Jul-13	8,098	1,210	9,308	87.00%	13.00%
Aug-13	10,472	1,087	11,559	90.60%	9.40%
Sep-13	10,507	1,312	11,819	88.90%	11.10%
Oct-13	16,184	5,127	21,311	75.94%	24.06%
Nov-13	23,340	10,204	33,544	69.58%	30.42%
Dec-13	39,063	18,974	58,037	67.31%	32.69%

Navitas TN NG  
Byrdstown/Fentress Division  
Gas Cost Recovery

Month	Sales CCF	Base PGA	PGA Adjuster	PGA Recoveries	ACA Factor	ACA Rcvry/(Rfnd)
Jan-13	19,402	0.49819		9,665.88	(0.16720)	(3,244.01)
Feb-13	16,019	0.49819		7,980.51	(0.16720)	(2,678.38)
Mar-13	13,534	0.49819		6,742.50	(0.16720)	(2,262.88)
Apr-13	9,154	0.49819		4,560.43	(0.16720)	(1,530.55)
May-13	1,947	0.49819		969.98	(0.16720)	(325.54)
Jun-13	1,498	0.49819		746.29	(0.16720)	(250.47)
Jul-13	1,210	0.49819		602.81	(0.31850)	(385.39)
Aug-13	1,087	0.49819		541.53	(0.31850)	(346.21)
Sep-13	1,312	0.49819		653.63	(0.31850)	(417.87)
Oct-13	5,127	0.49819		2,554.22	(0.31850)	(1,632.95)
Nov-13	10,204	0.49819		5,083.53	(0.31850)	(3,249.97)
Dec-13	18,974	0.49819		9,452.66	(0.31850)	(6,043.22)
	<u>99,468</u>			<u>49,553.97</u>		<u>(22,367.44)</u>