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July 22, 2008

Gary K. Dillard
Executive Vice President
Millennium Energy, Inc.
P. O. Box 1118
Bowling Green, KY 42102

CERTIFICATE OF SERVICE

RE: Case No. 2008-00231
Millennium Energy, Inc.

I, Stephanie Stumbo, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on July 22, 2008.

A handwritten signature in cursive script that reads "Stephanie Stumbo".

Executive Director

SS/rs
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST)
ADJUSTMENT FILING OF)
MILLENNIUM ENERGY, INC.) CASE NO. 2008-00231

ORDER

On December 2, 1999, in Case No. 1999-00312,¹ the Commission approved rates for Millennium Energy, Inc. ("Millennium") and provided for their further adjustment in accordance with Millennium's Gas Cost Adjustment ("GCA") clause.

On June 23, 2008, Millennium filed its proposed GCA to be effective August 1, 2008.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Millennium's notice includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Millennium's notice sets out an Expected Gas Cost ("EGC") of \$12.5101 per Mcf, which is an increase of \$2.8198 per Mcf from its previous EGC of \$9.6903.
3. Millennium's notice sets out no Refund Adjustment.

¹ Case No. 1999-00312, Petition of Millennium Energy, Inc. for Approval of an Initial Rate Schedule for Serving Customers from an Existing Gas Supply Line.

4. Millennium's notice sets a current quarter Actual Adjustment ("AA") of \$.5300 per Mcf. Millennium's total AA is \$1.4456 per Mcf, which is \$1.5179 per Mcf more than the previous total AA.

5. Millennium's notice sets out a current quarter Balance Adjustment ("BA") of \$.0319 per Mcf. Millennium's total BA is \$.0388 per Mcf, which is \$.0342 per Mcf more than the previous total BA.

6. Millennium's Gas Cost Recovery Rate is \$13.9945 per Mcf, which is \$4.3719 per Mcf more than the previous rate of \$9.6226.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for service rendered by Millennium on and after August 1, 2008.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered on and after August 1, 2008.

2. Within 20 days of the date of this Order, Millennium shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 22nd day of July, 2008.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00231 DATED JULY 22, 2008

The following rates and charges are prescribed for the customers served by Millennium Energy, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Residential

| | <u>Base Rate</u> | <u>Gas Cost Recovery Rate</u> | <u>Total</u> |
|-----------------|------------------|---------------------------------------|--------------|
| Customer Charge | \$6.00 | | \$6.00 |
| All Mcf | \$4.00 | \$13.9945 | \$17.9945 |

Commercial and Industrial

| | | | |
|-----------------|---------|-----------|-----------|
| Customer Charge | \$20.00 | | \$20.00 |
| All Mcf | \$ 3.00 | \$13.9945 | \$16.9945 |