

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT	)	CASE NO.
FILING OF CITIPOWER, LLC	)	2003-00036

O R D E R

On March 31, 2000, the Commission issued its Order in Case No. 1999-00225 approving certain adjustments to the rates of CitiPower, LLC ( CitiPower ) and providing under certain conditions for the further adjustment of such rates in accordance with the provisions of CitiPower s gas cost adjustment ( GCA ) clause.

On January 30, 2003, CitiPower filed its GCA to be effective March 1, 2003. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. CitiPower s notice proposed revised rates to pass on its expected change in gas costs to its customers.
2. CitiPower s proposed expected gas cost ( EGC ) is \$5.7468 per Mcf, an increase of \$2.7137 per Mcf from the prior EGC of \$3.0331.
3. CitiPower s notice set out no refund adjustment.
4. CitiPower s notice set out an actual adjustment ( AA ) of 5.21 cents per Mcf to collect under-recovered gas costs from August, September and October 2002. CitiPower incorrectly used a previous EGC in its calculation of the monthly cost difference for August 2002, instead of the EGC approved in the Commission s Interim Order in Case No. 2002-00252, for rates effective August 1, 2002. Correcting for this

produces a current quarter AA of 4.3 cents per Mcf. CitiPower's total AA is \$1.1712, which is an increase of 4.3 cents per Mcf from the previous total AA. This total AA includes a previous quarter AA that will remain in effect for 36 months.

5. CitiPower's notice set out no balance adjustment.

6. These combined adjustments produce a gas cost adjustment of \$6.9180, which is \$2.7567 per Mcf more than the previous rate of \$4.1613.

7. The revised rates in the Appendix to this Order are fair, just and reasonable, in the public interest, and should be approved for service rendered on and after March 1, 2003.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for service rendered on and after March 1, 2003.

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

Done at Frankfort, Kentucky, this 20<sup>th</sup> day of February, 2003.

By the Commission

ATTEST:



Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00036 DATED February 20, 2003

The following rates and charges are prescribed for the customers served by CitiPower, LLC. 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 and Commercial

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
Volumetric Rate	\$6.4592	\$6.9180	\$13.3772

The volumetric rate will apply to all Mcfs sold, subject to a minimum bill of \$5.00. In those cases where the usage applied to the volumetric rate results in an amount less than \$5.00, the customer will be charged the \$5.00 minimum.

#### Industrial and Institutional

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
Volumetric Rate	\$5.4592	\$6.9180	\$12.3772

The volumetric rate will apply to all Mcfs sold, subject to a minimum bill of \$5.00. In those cases where the usage applied to the volumetric rate results in an amount less than \$5.00, the customer will be charged the \$5.00 minimum.