

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT	)	CASE NO.
FILING OF CITIPOWER, LLC	)	2004-00151

O R D E R

On March 31, 2000, the Commission issued its Order in Case No. 1999-00225<sup>1</sup> 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 April 29, 2004, Citipower filed its GCA to be effective June 1, 2004.

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

1. Citipower’s notice proposes revised rates to pass on its expected change in gas costs to its customers.
2. Citipower’s proposed expected gas cost (“EGC”) is \$7.1004 per Mcf, an increase of 16.44 cents per Mcf from the prior EGC of \$6.9360.
3. Citipower’s notice sets out no refund adjustment.
4. Citipower’s notice sets out a current quarter actual adjustment (“AA”) of 39.44 cents per Mcf. Citipower’s notice sets out a total AA of \$2.9280 per Mcf, which is

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<sup>1</sup> Case No. 1999-00225, The Application of Citipower, LLC, for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities, Order dated March 31, 2000.

a decrease of \$1.046 per Mcf from the previous total AA. This total AA includes a previous quarter AA that will remain in effect for 36 months.<sup>2</sup>

5. Citipower's notice sets out a current quarter balance adjustment ("BA") of (2.35) cents per Mcf. Citipower used an incorrect dollar amount and AA factor in its calculations, correcting for this produces a current quarter BA of (1.91) cent per Mcf. Citipower's total BA is (49.35) cents per Mcf, which is a decrease of 1.94 cent per Mcf from the previous total BA.

6. These combined adjustments produce a GCA of \$9.5349, which is 90.1 cents per Mcf less than the previous rate of \$10.4359.

7. The revised rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered on and after June 1, 2004.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for billing for service rendered on and after June 1, 2004.

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 26<sup>th</sup> day of May, 2004.

By the Commission

ATTEST:

  
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Executive Director

<sup>2</sup> Case No. 2002-00252, Notice of Gas Cost Adjustment Filing of Citipower, LLC, Order dated August 9, 2002.

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00151 DATED May 26, 2004

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>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Volumetric Rate	\$6.4592	\$9.5349	\$15.9941

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>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Volumetric Rate	\$5.4592	\$9.5349	\$14.9941

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.