

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST            )  
ADJUSTMENT FILING OF        )  
MILLENNIUM ENERGY, INC.    )                    CASE NO. 2004-00519

ORDER

On December 2, 1999, in Case No. 1999-00312, 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.<sup>1</sup>

On December 28, 2004, Millennium filed its proposed GCA to be effective February 1, 2005.

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 \$5.5888 per Mcf. Millennium incorrectly calculated its EGC. Correcting for this error produces an EGC of \$5.8124 per Mcf, which is a decrease of 62.13 cents per Mcf from its previous EGC of \$6.4337.
3. Millennium’s notice sets out no refund adjustment.

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<sup>1</sup> 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, Order dated December 2, 1999.

4. Millennium's notice sets a current quarter actual adjustment ("AA") of (7.94) cents per Mcf. Millennium's total AA is (33.09) cents per Mcf, which is 25.72 cents per Mcf less than the previous total AA.

5. Millennium's notice sets out a current quarter balance adjustment ("BA") of (.3) cent per Mcf. Millennium's total BA is (11.34) cents per Mcf, which is 5.24 cents per Mcf less than the previous total BA.

6. Millennium's GCA is \$5.3681 per Mcf, which is 93.09 cents per Mcf less than the previous rate of \$6.2990.

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 February 1, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered on and after February 1, 2005.

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 28<sup>th</sup> day of January, 2005.

By the Commission

ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00519 DATED January 28, 2005

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	\$5.3681	\$9.3681

#### Commercial and Industrial

Customer Charge	\$20.00		\$20.00
All Mcf	\$ 3.00	\$5.3681	\$8.3681