

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT	)	CASE NO.
FILING OF CITIPOWER, LLC	)	2005-00081

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 February 18, 2005, Citipower filed its GCA to be effective March 1, 2005.

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 \$7.5460 per Mcf, a decrease of \$1.978 per Mcf from the prior EGC of \$9.5240.
3. Citipower’s notice sets out no refund adjustment.
4. Citipower’s notice sets out a current quarter actual adjustment (“AA”) of 21.26 cents per Mcf. Citipower’s notice sets out a total AA of \$1.9070 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.

an increase of 29.59 cents per Mcf from the previous total AA. This total AA includes a previous quarter AA that will remain in effect until September 2005.<sup>2</sup>

5. Citipower's notice sets out a current quarter balance adjustment ("BA") of (1.98) cent per Mcf. Citipower's notices sets out a total BA of \$1.3755 per Mcf. Citipower incorrectly carried forward a prior period BA that will expire March 1, 2005. Eliminating the prior period BA results in a total BA of (90.76) cents per Mcf, which is an increase of 45.43 cents per Mcf from the previous total BA.

6. These combined adjustments produce a GCA of \$8.5454, which is \$1.2278 per Mcf less than the previous rate of \$9.7732.

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 March 1, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are approved for billing for service rendered on and after March 1, 2005.

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.

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

Done at Frankfort, Kentucky, this 28<sup>th</sup> day of February, 2005.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Executive Director

Case No. 2005-00081

APPENDIX  
APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2005-00081 DATED February 28, 2005

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	\$8.5454	\$15.0046

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	\$8.5454	\$14.0046

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.