COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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NOTICE OF GAS COST	
ADJUSTMENT FILING OF) CASE NO. 2005-00288
MILLENNIUM ENERGY, INC.	

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.¹

On July 8, 2005, Millennium filed its proposed GCA to be effective August 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 \$5.3298 per Mcf, which is a decrease of 19.61 cents per Mcf from its previous EGC of \$5.5259.
 - 3. Millennium's notice sets out no refund adjustment.
- 4. Millennium's notice sets a current quarter actual adjustment ("AA") of 3.43 cents per Mcf. Millennium's total AA is (58.26) cents per Mcf, which is 33.65 cents per Mcf more than the previous total AA.

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, Order dated December 2, 1999.

5. Millennium's notice sets out a current quarter balance adjustment ("BA") of (.27) cent per Mcf. Millennium's total BA is (6.68) cents per Mcf, which is 5.1 cents per Mcf more than the previous total BA.

6. Millennium's GCA is \$4.6804 per Mcf, which is 19.15 cents per Mcf more than the previous rate of \$4.4889.

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 7, 2005. Millennium did not give sufficient notice for rates to be effective August 1, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered on and after August 7, 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 2nd day of August, 2005.

By the Commission

ATTEST:

Kobert a Climate for the Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00288 DATED August 2, 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>Residential</u>			
		Gas Cost Recovery	
	Base Rate	<u>Rate</u>	<u>Total</u>
Customer Charge All Mcf	\$6.00 \$4.00	\$4.6804	\$6.00 \$8.6804
Commercial and Industria			
Customer Charge All Mcf	\$20.00 \$ 3.00	\$4.6804	\$20.00 \$7.6804