COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)	
FILING OF MILLENNIUM ENERGY, INC.)	CASE NO. 2005-00415

<u>ORDER</u>

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 October 7, 2005, Millennium filed its proposed GCA to be effective November 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 \$9.1775 per Mcf, which is an increase of \$3.8477 per Mcf from its previous EGC of \$5.3298.
 - 3. Millennium's notice sets out no refund adjustment.
- 4. Millennium's notice sets a current quarter actual adjustment ("AA") of (21.67) cents per Mcf. Millennium's total AA is (69.37) cents per Mcf, which is 11.11 cents per Mcf less 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 (1.5) cent per Mcf. Millennium's total BA is (3.34) cents per Mcf, which is 3.34 cents per Mcf more than the previous total BA.

6. Millennium's GCA is \$8.4504 per Mcf, which is \$3.77 per Mcf more than the previous rate of \$4.6804.

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 November 6, 2005. Millennium did not give sufficient notice for rates to be effective November 1, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered on and after November 6, 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 24th day of October, 2005.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00415 DATED October 24, 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

Residential	Base Rate	Gas Cost Recovery <u>Rate</u>	<u>Total</u>		
Customer Charge	\$6.00	\$8.4504	\$6.00		
All Mcf	\$4.00		\$12.4504		
Commercial and Industrial					
Customer Charge	\$20.00	\$8.4504	\$20.00		
All Mcf	\$ 3.00		\$11.4504		