

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)	CASE NO.
FILING OF CITIPOWER, LLC)	2006-00044

O R D E R

On March 31, 2000, the Commission issued its Order in Case No. 1999-00225¹ 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 January 30, 2006, Citipower filed its GCA to be effective March 1, 2006.

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

1. Citipower’s notice proposes revised rates designed to pass on its expected change in gas costs to its customers.
2. Citipower’s proposed expected gas cost (“EGC”) is \$10.26 per Mcf, a decrease of \$4.60 per Mcf from the prior approved EGC of \$14.86.
3. Citipower’s notice sets out no refund adjustment.

¹ 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.

4. Citipower's notice sets out a current quarter actual adjustment ("AA") of 87.8 cents per Mcf. Citipower's notice sets out a total AA of 47.57 cents per Mcf, which is an increase of 66.54 cents per Mcf from the previous total AA.

5. Citipower's notice sets out a current quarter balance adjustment ("BA") of (1.11) cent per Mcf. Citipower's notice sets out a total BA of (6.11) cents per Mcf, which is an increase of .87 cent per Mcf from the previous total BA.

6. These combined adjustments produce a GCA of \$10.6746, which is \$3.9259 per Mcf less than the previous rate of \$14.6005.

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, 2006.

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, 2006.

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 17th day of February, 2006.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2006-00044 DATED February 17, 2006

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	\$10.6746	\$17.1338

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	\$10.6746	\$16.1338

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.