

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF MILLENNIUM ENERGY, INC.	)	
FOR A CERTIFICATE OF CONVENIENCE	)	CASE NO. 99-075
AND NECESSITY TO CONSTRUCT AND	)	
OPERATE A NATURAL GAS SUPPLY LINE	)	

O R D E R

On May 20, 1999, the Commission issued an Order in which Millennium Energy, Inc. ("Millennium") was authorized to issue evidences of indebtedness in the amount of \$305,000 for a period of 10 years at an interest rate not to exceed 6 percent. On July 6, 1999, Millennium filed a petition to modify the Order of May 20, 1999. Millennium's grounds for requesting the modification are that each draw on the loan will carry an interest rate that can be determined only at the time of the draw. Millennium states that the varying interest rate does not change the feasibility of the project, nor does it create a negative impact on the customer. On March 25, 1999, Millennium filed a copy of a memorandum which indicated the interest rate was then 5.8 percent. However, the memorandum also stated that each draw will be subject to the interest rate in effect at the time of the draw. That filing further stated that Millennium will consolidate the short-term loans into a 10-year loan.

IT IS THEREFORE ORDERED that:

1. The Order of May 20, 1999 is modified only to the extent that Millennium is authorized to issue evidences of indebtedness to the National Cooperative Service

Corporation in an amount not to exceed \$305,000, with advances from the loan bearing interest at varying rates dependent upon interest rates in effect at the time of each advance. Ultimately, all advances from the loan shall be converted to a 10-year loan. If Millennium chooses to issue its evidence of indebtedness at a fixed rate, it shall select the interest rate that will result in the lowest cost on money over the term of the financing.

2. Within 10 days of the date of this Order, Millennium shall notify the Commission of the interest rate, conditions, and terms of the 10-year long-term financing.

Done at Frankfort, Kentucky, this 30<sup>th</sup> day of July, 1999.

By the Commission

ATTEST:

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Executive Director