

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST	)	
ADJUSTMENT FILING OF	)	CASE NO. 2002-00252
CITIPOWER, LLC	)	

INTERIM ORDER

On March 31, 2000, the Commission issued its Order in Case No. 1999-00225 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 July 1, 2002, Citipower filed its GCA to be effective August 1, 2002. This is Citipower s first GCA filing since December 21, 2000. Citipower indicated to Commission Staff that it would revise its application in order to change the calculation of the Actual Adjustment ( AA ) component of the rate. Citipower has not yet revised its application and cannot provide the Commission with an expected date for the revision. The Commission finds that the proposed GCA is a decrease and should be approved based on the information contained in the application until such time as Citipower is able to revise its application.

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

1. Citipower s notice proposed revised rates to pass on its expected change in gas costs to its customers.

2. Citipower s proposed expected gas cost ( EGC ) is \$3.05 per Mcf, a decrease of \$4.3171 per Mcf from the prior EGC of \$7.3671.

3. Citipower s notice set out no refund adjustment.

4. Citipower s notice set out a current quarter AA of 90.82 cents per Mcf to collect under-recovered gas costs from October 2000 through April 2002. Citipower used an incorrect volume in calculating its current quarter AA. Correcting for this error produces a current quarter AA of \$3.3408 per Mcf. Citipower s total AA is also \$3.3408.

5. Citipower s notice set out no balance adjustment.

6. These combined adjustments produce a gas cost adjustment of \$6.3908 per Mcf, \$1.1314 per Mcf less than the prior rate of \$7.5222.

7. The revised rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for service rendered on and after August 1, 2002.

IT IS THEREFORE ORDERED that:

1. Citipower s proposed rates are denied.

2. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for service rendered on and after August 1, 2002.

3. 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 24<sup>th</sup> day of July, 2002.

By the Commission

ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00252 DATED JULY 24, 2002

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>
Minimum Bill 0-.7 Mcf			\$ 5.00
Volumetric Rate	\$6.4592	\$6.3908	\$12.85

#### Industrial and Institutional

Minimum Bill 0-.8 Mcf			\$ 5.00
Volumetric Rate	\$5.4592	\$6.3908	\$11.85