

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	)	

O R D E R

On July 24, 2002, the Commission issued an Interim Order approving Citipower's Gas Cost Adjustment ( GCA ) effective with service rendered on and after August 1, 2002. The GCA consisted of the Expected Gas Cost and the Actual Adjustment ( AA ).

On August 1, 2002, Citipower filed its motion for reconsideration, and for an Order superseding the Interim Order. Citipower stated that it had filed a revised GCA that re-calculated the AA and changed the effective date to September 1, 2002.<sup>1</sup> Citipower presented two alternative calculations for the AA. Alternative One was to remove the months of October 2000 through April 2001 from the calculation. Alternative Two was to recover the costs over a 36-month period, rather than over a 12-month period.

The Commission finds that the costs reported in Citipower's original GCA filing are fair, just and reasonable and that Citipower should recover these costs. To lessen the impact of the AA on customers, the Commission finds Alternative Two, which recovers the costs over a 36-month period, reasonable. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

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<sup>1</sup> Supplemental filing received by the Commission on July 23, 2002.

1. Citipower s AA shall reflect the original cost of \$125,511.91 recovered over 36 months, that results in a current quarter and total AA of \$1.1136 per Mcf.

2. Citipower s revised GCA is \$4.1636 per Mcf, a decrease of \$3.3586 per Mcf from the previous GCA of \$7.5222 per Mcf.

3. The findings herein related to Citipower s AA and total GCA supersede the findings contained in the Interim Order previously issued in this proceeding.

4. 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 September 1, 2002.

IT IS THEREFORE ORDERED that:

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

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 9<sup>th</sup> day of August, 2002.

By the Commission

ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00252 DATED AUGUST 9, 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 Volumetric Rate	\$6.4592	\$4.1636	\$ 5.00 \$10.6228

#### Industrial and Institutional

Minimum Bill 0-.8 Mcf Volumetric Rate	\$5.4592	\$4.1636	\$ 5.00 \$ 9.6228
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