COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2002-00369
MILLENNIUM ENERGY, INC.)	

<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.

On October 2, 2002, Millennium filed its proposed Interim GCA to be effective November 1, 2002. As this filing results in a rate decrease, the 30-day and 20-day notice requirements set out in KRS 278.180(1) are not applicable. KRS 278.180(2) allows a rate decrease to be implemented within a lesser period of time.

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 expected gas cost (EGC) is \$3.7894 per Mcf, the same as its last filing which was effective September 1, 2002.
 - 3. Millennium s notice sets out no refund adjustment.
- 4. Millennium's notice sets a current quarter actual adjustment (AA) of (25.32) cents per Mcf. Millennium's total AA is 25.82 cents per Mcf, which is 7.53 cents per Mcf less than the previous total AA.

5. Millennium s notice sets out a current quarter balance adjustment (BA) of

2.58 cents per Mcf. Millennium's total BA is 39.34 cents per Mcf, which is 2.58 cents

per Mcf more than the previous total BA.

6. Millennium's GCA is \$4.4409 per Mcf, which is 4.96 cents per Mcf less

than the previous rate of \$4.4905.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in

the public interest, and should be approved for service rendered by Millennium on and

after November 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered

on and after November 1, 2002.

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 16th day of October, 2002.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00369 DATED OCTOBER 16, 2002

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

<u>Nesidential</u>	Base Rate	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
Customer Charge	\$6.00	\$4.4409	\$6.00
All Mcf	\$4.00		\$8.4409
Commercial and Industrial			
Customer Charge	\$20.00	\$4.4409	\$20.00
All Mcf	\$ 3.00		\$ 7.4409