



698 Morgantown Rd  
Franklin KY 42134  
Phone: (270) 586-3443  
Emergency: 1-888-281-9133  
Fax: (270) 393-2615

---

May 22, 2020

Ms. Gwen R Pinson, Executive Director  
Executive Director, Public Service Commission  
PO Box 615 / 211 Sower Blvd.  
Frankfort, KY 40602

RE: Case # Gas Cost Adjustment Report

*Case # 2020-00166*

Dear Ms. Pinson:

The following document is Millennium Energy's Gas Cost Adjustment Report for the quarter of July 1, 2020 to September 30, 2020.

We also request that correspondence regarding this GCA be emailed to myself at [pattyk@wrecc.com](mailto:pattyk@wrecc.com) as well as Wendy Meador at [wendym@wrecc.com](mailto:wendym@wrecc.com)

Sincerely,

A handwritten signature in blue ink that reads "Patty Kantosky". The signature is fluid and cursive.

Patty Kantosky  
V.P. of Member Services

---

**QUARTERLY REPORT OF GAS COST  
RECOVERY RATE CALCULATION**

Date Filed: **22-May-20**

---

Date Rates to be Effective: **July 1, 2020 to September 30, 2020**

---

Reporting Period is Calendar Quarter Ended: **January 1, 2020 to March 31, 2020**

---

**SCHEDULE I  
GAS COST RECOVERY RATE SUMMARY**

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	2.5355
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	(0.5615)
+ Balance Adjustment (BA)	\$/Mcf	<u>(0.0100)</u>
= Gas Cost Recovery Rate (GCR)	\$/Mcf	1.9640

GCR to be effective for service rendered from: 07-01-20 to 09-30-20

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	313,697.22
+ Sales for the 12 months ended 3/31/2020	Mcf	<u>123,719.70</u>
- Expected Gas Cost (EGC)	\$/Mcf	2.5355

<u>B. REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch. III)	\$/Mcf	\$ -
+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
+ Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	<u>\$ -</u>
= Refund Adjustment (RA)	\$/Mcf	\$ -

<u>C. ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	\$ (0.2775)
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0102)
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.1885)
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	<u>\$ (0.0853)</u>
=Actual Adjustment (AA)	\$/Mcf	\$ (0.5615)

<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	\$ 0.0111
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0010)
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0044)
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	<u>\$ (0.0157)</u>
=Balance Adjustment (BA)	\$/Mcf	\$ (0.0100)

SCHEDULE II  
EXPECTED GAS COST

Appendix B  
Page 3

Actual\* Mcf Purchase for 12 months ended

03/31/20

(1) <u>Supplier</u>	(2) <u>Dth</u>	(3) <u>Heat Rate</u>	(4) <u>Mcf</u>	(5) <u>Rate</u>	(6) <u>(2) x (5) Cost</u>
Apr-19 Utility Gas Management	10,760.00	1.0623	10,129.00	2.33000	25,070.80
May-19 Utility Gas Management	9,774.00	1.0599	9,222.00	2.33000	22,773.42
Jun-19 Utility Gas Management	9,054.00	1.0565	8,570.00	2.33000	21,095.82
Jul-19 Utility Gas Management	8,816.00	1.0611	8,308.00	2.33000	20,541.28
Aug-19 Utility Gas Management	8,136.00	1.0630	7,654.00	2.33000	18,956.88
Sep-19 Utility Gas Management	8,214.00	1.0650	7,713.00	2.33000	19,138.62
Oct-19 Utility Gas Management	10,596.00	1.0630	9,968.00	2.33000	24,688.68
Nov-19 Utility Gas Management	13,270.00	1.0611	12,506.00	2.33000	30,919.10
Dec-19 Utility Gas Management	13,872.00	1.0617	13,066.00	2.33000	32,321.76
Jan-20 Utility Gas Management	15,538.00	1.0640	14,603.00	2.33000	36,203.54
Feb-20 Utility Gas Management	14,247.00	1.0660	13,365.00	2.33000	33,195.51
Mar-20 Utility Gas Management	<u>12,357.00</u>	<u>1.0648</u>	<u>11,605.00</u>	<u>2.33000</u>	<u>28,791.81</u>
Totals	134,634.00	1.0625	126,708.99	2.33000	313,697.22

Line losses are 126,708.99 Mcf and sales of 123,719.70 Mcf. 2.36% for 12 months ended 3/31/2020 based on purchases of

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6) (to Schedule IA.)	\$	\$ 313,697.22
	Mcf	<u>126,708.99</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 2.4757
Plus: Expected Losses of (not to exceed 5%)	(D26/0.95) if line loss > 5% Mcf	<u>313,697.22</u>
= Total Expected Gas Cost	(J32*J33 if line loss) \$	\$ 313,697.22
Allowable Sales (maximum losses of 5%).		313,697.22

\*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.  
\*\*Supplier's tariff sheets or notices are attached.

SCHEDULE III  
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended 3/31/2020

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	\$ -
+ Interest	\$	\$ -
<hr/>		
= Refund Adjustment including interest	\$	\$ -
+ Sales for 12 months ended 3/31/2020	Mcf	123,720
<hr/>		
=Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	\$ -

SCHEDULE IV  
ACTUAL ADJUSTMENT

Appendix B  
Page 5

For the 3 month period end 3/31/2020

<u>Particulars</u>	<u>Unit</u>	Month 1 <u>Jan-20</u>	Month 2 <u>Feb-20</u>	Month 3 <u>Mar-20</u>
Total Supply Volumes Purchased	Mcf	14,603.00	13,365.00	11,605.00
Utility Gas Management				
Total Cost of Volumes Purchased	\$	\$ 37,026.52	\$ 25,386.40	\$ 22,300.53
 Total Sales	 Mcf	 <u>13,872.85</u>	 <u>13,918.70</u>	 <u>11,024.75</u>
(may not be less than 95% of supply volume (G8*0.95))				
<hr/> = Unit Cost of Gas	\$/Mcf	\$ 2.6690	\$ 1.8239	\$ 2.0228
 - EGC in effect for month	 \$/Mcf	 <u>\$ 3.0920</u>	 <u>\$ 3.0920</u>	 <u>\$ 3.0920</u>
<hr/> = Difference [ (Over-)/Under-Recovery]	\$/Mcf	\$ (0.4230)	\$ (1.2681)	\$ (1.0692)
 x Actual sales during month	 Mcf	 <u>13,401.40</u>	 <u>13,918.70</u>	 <u>10,298.60</u>
<hr/> = Monthly cost difference	\$	(5,668.90)	(17,650.22)	(11,011.57)

01-01-19 to 03-31-19	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	\$ (34,330.69)
 + Sales for 12 months end 3/31/2020	 Mcf	 <u>123,720</u>
 = Actual Adjustment for the Reporting Period (to Schedule IC.)	 \$/Mcf	 \$ (0.2775)

SCHEDULE V  
BALANCE ADJUSTMENT

Appendix B  
Page 6

For the 3 month period ended 3/31/2020

Line	Particulars	Unit	Amount
	Utility Gas Management		
(1)	Total cost difference from actual adjustment used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		(Schedule IV - Line H30) 20,205.90
1		\$	20,205.90
			Case No. 2019-00076 04-01-19 to 06-30-19
2 Less:	Dollars amount resulting from the AA of <span style="margin-left: 100px;">0.1526</span> \$/MCF as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of <span style="margin-left: 50px;">123,720</span>		(Schedule IV - Line H35)
3	MCF during the 12 month period the AA was in effect.	\$	18,879.63
4 Equals:	Balance Adjustment for the AA.	\$	1,326.27
(3)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		\$ -
5		\$	-
6 Less:	Dollar amount resulting from the RA of <span style="margin-left: 100px;">-</span> \$/MCF as used to compute the OCR in effect four quarters prior to the effective GCR times the sales of <span style="margin-left: 50px;">123,720</span> MCF during the 12 month period the RA was in effect.		\$ -
7		\$	-
8 Equals:	Balance Adjustment for the RA.	\$	-
(3)	Total Balance Adjustment used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		(Schedule V - Line 13/Cell K43) 573.26
9		\$	573.26
			Case No. 2019-00076 04-01-19 to 06-30-19
10 Less:	Dollar amount resulting from the BA of <span style="margin-left: 100px;">0.0043</span> \$/MCF four quarters prior to the effective date of the currently effective GCR times the sales of <span style="margin-left: 50px;">123,720</span> MCF during the 12 month period the BA was in effect.		(Line 15/Cell K48)
11		\$	531.99
12 Equals:	Balance Adjustment for the BA.	\$	41.27
13	Total Balance Adjustment Amount (1) + (2) + (3)	\$	1367.54
14	Divided By Sales for 12 months ended <span style="margin-left: 100px;">3/31/2020</span>	\$	123,720
15 Equals:	Balance Adjustment for the Reporting Period (to Schedule ID).	\$/MCF	0.0111

**MILLENNIUM ENERGY**  
**Purchased Gas Adjustment Calculation [1]**

Line No	Wholesale Supplier	Purchased Gas (@ Delivery Point)					
		Month	Amount (\$)	Quantity (decatherms)	Heat Rate (dt/mcF)	Quantity (mcF)	Avg. Rate (\$/mcF)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Utility Gas Management	Apr-19	30,879.10	10,760.00	1.0623	10,129.00	3.05
2	Utility Gas Management	May-19	23,934.42	9,774.00	1.0599	9,222.00	2.60
3	Utility Gas Management	Jun-19	22,798.14	9,054.00	1.0565	8,570.00	2.66
4	Utility Gas Management	Jul-19	19,747.45	8,816.00	1.0611	8,308.00	2.38
5	Utility Gas Management	Aug-19	17,649.60	8,136.00	1.0630	7,654.00	2.31
6	Utility Gas Management	Sep-19	17,393.51	8,214.00	1.0650	7,713.00	2.26
7	Utility Gas Management	Oct-19	23,919.52	10,596.00	1.0630	9,968.00	2.40
8	Utility Gas Management	Nov-19	34,550.28	13,270.00	1.0611	12,506.00	2.76
9	Utility Gas Management	Dec-19	38,828.63	13,872.00	1.0617	13,066.00	2.97
10	Utility Gas Management	Jan-20	37,026.52	15,538.00	1.0640	14,603.00	2.54
11	Utility Gas Management	Feb-20	25,386.40	14,247.00	1.0660	13,365.00	1.90
12	Utility Gas Management	Mar-20	22,300.53	12,357.00	1.0648	11,605.00	1.92
	<b>Total</b>		<b>314,414.10</b>	<b>134,634.00</b>	<b>1.0625</b>	<b>126,708.99</b>	<b>2.48</b>

[1] Losses are based on a 12-month moving average.



**MILLENNIUM ENERGY**  
**Purchased Gas Adjustment Calculation [1]**

Wholesale Supplier	Monthly Gas Sales			12-Months Gas Totals			Recovery Rate	
	Quantity	Losses	Avg. Rate	Purchases	Sales	Losses	Cost	Rate
(a)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
Utility Gas Management	9,967.60	1.59%	3.10	10,129.00	9,968	1.59%	30,879	3.10
Utility Gas Management	8,816.90	4.39%	2.71	19,351.00	18,785	2.93%	54,814	2.92
Utility Gas Management	8,225.30	4.02%	2.77	27,921.00	27,010	3.26%	77,612	2.87
Utility Gas Management	8,690.10	-4.60%	2.27	36,229.00	35,700	1.46%	97,359	2.73
Utility Gas Management	8,091.40	-5.71%	2.18	43,883.00	43,791	0.21%	115,009	2.63
Utility Gas Management	7,036.80	8.77%	2.47	51,596.00	50,828	1.49%	132,402	2.60
Utility Gas Management	9,809.60	1.59%	2.44	61,564.00	60,638	1.50%	156,322	2.58
Utility Gas Management	12,593.30	-0.70%	2.74	74,069.99	73,231	1.13%	190,872	2.61
Utility Gas Management	12,870.00	1.50%	3.02	87,135.99	86,101	1.19%	229,701	2.67
Utility Gas Management	13,401.40	8.23%	2.76	101,738.99	99,502	2.20%	266,727	2.68
Utility Gas Management	13,918.70	-4.14%	1.82	115,103.99	113,421	1.46%	292,114	2.58
Utility Gas Management	10,298.60	11.26%	2.17	126,708.99	123,720	2.36%	314,414	2.54
<b>Total</b>	<b>123,719.70</b>	<b>2.36%</b>	<b>2.54</b>	<b>126,708.99</b>	<b>123,719.70</b>	<b>2.36%</b>	<b>314,414</b>	<b>2.54</b>

[1] Losses are based on a 12-month moving average.

**Meador, Wendy**

---

**From:** Ron Ragan <ron@utilitygas.com>  
**Sent:** Monday, May 18, 2020 4:30 PM  
**To:** Meador, Wendy  
**Subject:** RE: Nymex futures

I second the normalcy request!

Here you go.  
July 2020 - \$1.95  
August 2020 - \$ 2.05  
Sep 2020 - \$2.12

Sincerely,  
Ron Ragan  
Utility Gas Management  
PH (913) 515-2994  
Fax (913) 730-8667  
Email – [ron@utilitygas.com](mailto:ron@utilitygas.com)  
[www.utilitygas.com](http://www.utilitygas.com)

July 1.95  
August 2.05  
Sept 2.12  
\$6.12

$\$6.12 \div 3 = \$2.04$   
Average

**From:** Meador, Wendy <[wendym@wrecc.com](mailto:wendym@wrecc.com)>  
**Sent:** Monday, May 18, 2020 4:19 PM  
**To:** Ron Ragan <[ron@utilitygas.com](mailto:ron@utilitygas.com)>  
**Subject:** Nymex futures

Ron

It's that time again... actually I'm a little late and may miss my deadline but anyway. I really need some normalcy around here.

I need the Nymex futures estimate for natural gas for the quarter of July 2020, August 2020 and September 2020 for my quarterly Gas Cost Adjustment Report for the KY PSC

Thanks. Have a good day.

**Wendy Meador**  
**Member Service Supervisor**  
**Franklin Office**  
698 Morgantown Rd  
Franklin KY 42134  
[wendym@wrecc.com](mailto:wendym@wrecc.com)  
Office Phone: 270-586-3443, Ext. 3004  
Fax: 270-393-2615



\$2.04 Average  
0.08 Management Fee  
0.210 transport Fee  
\$2.330  
Sees charged to US  
out suppliers

Schedule 11 - EGC Rate (5)  
estimate \$2.33



Andy Beshear  
Governor

Rebecca W. Goodman  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**

211 Sower Blvd.  
P.O. Box 615  
Frankfort Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

Michael J. Schmitt  
Chairman

Robert Cicero  
Vice Chairman

Talina R. Mathews  
Commissioner

May 26, 2020

PARTIES OF RECORD

RE: Case No. **2020-00166**

Millennium Energy, Inc.  
(Purchased Gas Adjustment)

This letter is to acknowledge receipt of notice of election of use of electronic filing procedures to file an application in the above case. The notice was date-stamped received May 26, 2020, and has been assigned Case No. 2020-00166. In all future correspondence or filings in connection with this case, please reference the above case number.

All documents submitted to the Commission in this proceeding must comply with the rules of procedure adopted by the Commission found in 807 KAR 5:001. Any deviation from these rules must be submitted in writing to the Commission for consideration. Additionally, confidential treatment of any material submitted must follow the requirements found in 807 KAR 5:001 (13).

Materials submitted to the Commission which do not comply with the rules of procedure, or that do not have an approved deviation, are subject to rejection by Commission pursuant to 807 KAR 5:001 (3). In order to insure cases are processed in a timely manner and accurate reliable records are created, please make sure that the rules of procedure are followed. Should you have any questions, please contact Renee Smith in the Filings Branch at 502-564-3940.

Sincerely,

Kent A. Chandler  
Executive Director

KC/AH

\*Millennium Energy, Inc.  
951 Fairview Avenue  
P. O. Box 1118  
Bowling Green, KY 42102

\*Patty Kantosky  
VP of Member & Customer Services  
Millennium Energy, Inc.  
951 Fairview Avenue  
Bowling Green, KY 42101

\*Wendy Meador  
Warren RECC & Millennium Energy, Inc.  
698 Morgantown Road  
Franklin, KENTUCKY 42134

**NOTICE OF ELECTION OF USE OF ELECTRONIC FILING PROCEDURES**

(Complete All Shaded Areas and Check Applicable Boxes)

In accordance with 807 KAR 5:001, Section 8, Millennium Energy Inc gives notice of its intent to file an application for Quarterly G&A with the Public Service Commission no later than 5-27-20 and to use the electronic filing procedures set forth in that regulation.

Millennium Energy, Inc further states that:

- |  |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Yes                                 | No                                  |
| 1. It requests that the Public Service Commission assign a case number to the intended application and advise it of that number as soon as possible;   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 2. It or its authorized representatives have registered with the Public Service Commission and are authorized to make electronic filings with the Public Service Commission;   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 3. Neither it nor its authorized representatives have registered with the Public Service Commission for authorization to make electronic filings but will do so no later than seven days before the date of its filing of its application for rate adjustment; | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 4. It or its authorized agents possess the facilities to receive electronic transmissions;   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 5. The following persons are authorized to make filings on its behalf and to receive electronic service of Public Service Commission orders and any pleadings filed by any party or the Public Service Commission Staff:                                       |                                     |                                     |
- not sure about this. I have been authorized to do electronic filings on tariffs*

Name	Electronic Mail Address
<u>Wendy Meador</u>	<u>wendym@wrccu.com</u>
<u>Patty Kantosky</u>	<u>patty.k@wrccu.com</u>

6. It and its authorized representatives listed above have read and understand the procedures for electronic filing set forth in 807 KAR 5:001 and will fully comply with those procedures unless the Public Service Commission directs otherwise.

Signed Wendy Meador  
 Name: Wendy Meador  
 Title: Member Service Supervisor  
 Address: 690 Morgantown Rd  
Franklin KY 40134  
 Telephone Number: 270 586-3443