



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

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November 24, 2020

Kent A Chandler  
Acting Executive Director  
PO Box 615 / 211 Sower Blvd.  
Frankfort, KY 40602

RE: Case # Gas Cost Adjustment Report

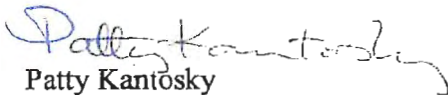
*case # 2020-00380*

Dear Mr. Chandler:

The following document is Millennium Energy's Gas Cost Adjustment Report for the quarter of January 1, 2021 to March 31, 2021.

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,

  
Patty Kantosky  
V.P. of Member Services

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

Date Filed: **1-Dec-20**

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Date Rates to be Effective: **January 1, 2021 to March 31, 2021**

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Reporting Period is Calendar Quarter Ended: **July 1, 2020 to September 30, 2020**

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**SCHEDULE I  
GAS COST RECOVERY RATE SUMMARY**

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	3.4566
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	(0.4329)
+ Balance Adjustment (BA)	\$/Mcf	<u>0.0116</u>
= Gas Cost Recovery Rate (GCR)	\$/Mcf	3.0353

GCR to be effective for service rendered from: **01-01-21 to 03-31-21**

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	413,267.96
+ Sales for the 12 months ended 9/30/2020	Mcf	<u>119,557.90</u>
- Expected Gas Cost (EGC)	\$/Mcf	3.4566

<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	\$ (0.0582)
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0870)
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.2775)
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	<u>\$ (0.0102)</u>
= Actual Adjustment (AA)	\$/Mcf	\$ (0.4329)

<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	\$ (0.0003)
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.0018
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.0111
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	<u>\$ (0.0010)</u>
= Balance Adjustment (BA)	\$/Mcf	\$ 0.0116

SCHEDULE II  
EXPECTED GAS COST

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Actual* Mcf Purchase for 12 months ended			<u>09/30/20</u>		
(1)	(2)	(3)	(4)	(5)	(6)
<u>Supplier</u>	<u>Dth</u>	<u>Heat Rate</u>	<u>Mcf</u>	<u>Rate</u>	<u>(2) x (5) Cost</u>
Oct-19 Utility Gas Management	10,596.00	1.0630	9,968.00	3.16000	33,483.36
Nov-19 Utility Gas Management	13,270.00	1.0611	12,506.00	3.16000	41,933.20
Dec-19 Utility Gas Management	13,872.00	1.0617	13,066.00	3.16000	43,835.52
Jan-20 Utility Gas Management	15,538.00	1.0640	14,603.00	3.16000	49,100.08
Feb-20 Utility Gas Management	14,247.00	1.0660	13,365.00	3.16000	45,020.52
Mar-20 Utility Gas Management	12,357.00	1.0648	11,605.00	3.16000	39,048.12
Apr-20 Utility Gas Management	10,628.00	1.0605	10,022.00	3.16000	33,584.48
May-20 Utility Gas Management	8,769.00	1.0555	8,308.00	3.16000	27,710.04
Jun-20 Utility Gas Management	7,445.00	1.0559	7,051.00	3.16000	23,526.20
Jul-20 Utility Gas Management	7,502.00	1.0595	7,081.00	3.16000	23,706.32
Aug-20 Utility Gas Management	8,025.00	1.0602	7,569.00	3.16000	25,359.00
Sep-20 Utility Gas Management	8,532.00	1.0600	8,049.00	3.16000	26,961.12
Totals	130,781.00	1.0616	123,192.98	3.16000	413,267.96

Line losses are 2.95% for 12 months ended 9/30/2020 based on purchases of  
 123,192.98 Mcf and sales of 119,557.90 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6) (to Schedule IA.)	\$	\$ 413,267.96
	Mcf	<u>123,192.98</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 3.3546
Plus: Expected Losses of (not to exceed 5%)	Mcf	413,267.96
= Total Expected Gas Cost	(D26/0.95) if line loss > 5% (J32*J33 if line loss) \$	\$ 413,267.96
Allowable Sales (maximum losses of 5%).		413,267.96

\*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 9/30/2020

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	\$ -
+ Interest	\$	\$ -
<hr/>		
= Refund Adjustment including interest	\$	\$ -
+ Sales for 12 months ended <u>9/30/2020</u>	Mcf	<u>119,558</u>
<hr/>		
=Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	\$ -

SCHEDULE IV  
ACTUAL ADJUSTMENT

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For the 3 month period ended\_ 9/30/2020

<u>Particulars</u>	<u>Unit</u>	Month 1	Month 2	Month 3
		<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>
Total Supply Volumes Purchased	Mcf	7,081.00	7,569.00	8,049.00
Utility Gas Management				
Total Cost of Volumes Purchased	\$	\$ 12,629.80	\$ 15,277.04	\$ 20,619.89
Total Sales	Mcf	<u>6,726.95</u>	<u>7,569.40</u>	<u>7,658.90</u>
(may not be less than 95% of supply volume (G8*0.95))				
= Unit Cost of Gas	\$/Mcf	\$ 1.8775	\$ 2.0183	\$ 2.6923
- EGC in effect for month	\$/Mcf	<u>\$ 2.5355</u>	<u>\$ 2.5355</u>	<u>\$ 2.5355</u>
= Difference [(Over-)/Under-Recovery]	\$/Mcf	\$ (0.6580)	\$ (0.5172)	\$ 0.1568
x Actual sales during month	Mcf	<u>6,453.10</u>	<u>7,569.40</u>	<u>7,658.90</u>
= Monthly cost difference	\$	(4,246.19)	(3,915.17)	1,200.75

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)				\$	\$ (6,960.61)
+ Sales for 12 months ended <u>9/30/2020</u>				Mcf	<u>119,558</u>
= Actual Adjustment for the Reporting Period (to Schedule IC.)				\$/Mcf	\$ (0.0582)

SCHEDULE V  
BALANCE ADJUSTMENT

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For the 3 month period ended 9/30/2020

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) <u>(10,235.01)</u>
1		\$	<u>(10,235.01)</u>
			Case No. <u>2019-00308</u> 10-01-2019 to 12-31-2019
2 Less:	Dollars amount resulting from the AA of <u>(0.0853)</u> \$/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 <u>119,558</u> MCF during the 12 month period the AA was in effect.		(Schedule IV - Line H35) <u>(10,198.29)</u>
3		\$	<u>(10,198.29)</u>
4 Equals:	Balance Adjustment for the AA.	\$	<u>(36.72)</u>
(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		\$	<u>-</u>
6 Less:	Dollar amount resulting from the RA of <u>-</u> \$/MCF as used to compute the OCR in effect four quarters prior to the effective GCR times the sales of <u>119,558</u> MCF during the 12 month period the RA was in effect.		\$ -
7		\$	<u>-</u>
8 Equals:	Balance Adjustment for the RA.	\$	<u>-</u>
(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) <u>(1,568.82)</u>
9		\$	<u>(1,568.82)</u>
			Case No. <u>2019-00308</u> 10-01-2019 to 12-31-2019
10 Less:	Dollar amount resulting from the BA of <u>(0.0131)</u> \$/MCF four quarters prior to the effective date of the currently effective GCR times the sales of <u>119,558</u> MCF during the 12 month period the BA was in effect.		(Line 15/Cell K48) <u>(1,566.21)</u>
11		\$	<u>(1,566.21)</u>
12 Equals:	Balance Adjustment for the BA.	\$	<u>(2.61)</u>
13	Total Balance Adjustment Amount (1) + (2) + (3)	\$	<u>-39.33</u>
14 Divided By Sales for 12 months ended <u>9/30/2020</u>		\$	<u>119,558</u>
15 Equals:	Balance Adjustment for the Reporting Period (to Schedule ID).	\$/MCF	<u>(0.0003)</u>

**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	Oct-19	23,919.52	10,596.00	1.0630	9,968.00	2.40
2	Utility Gas Management	Nov-19	34,550.28	13,270.00	1.0611	12,506.00	2.76
3	Utility Gas Management	Dec-19	38,828.63	13,872.00	1.0617	13,066.00	2.97
4	Utility Gas Management	Jan-20	37,026.52	15,538.00	1.0640	14,603.00	2.54
5	Utility Gas Management	Feb-20	25,386.40	14,247.00	1.0660	13,365.00	1.90
6	Utility Gas Management	Mar-20	22,300.53	12,357.00	1.0648	11,605.00	1.92
7	Utility Gas Management	Apr-20	18,635.05	10,628.00	1.0605	10,022.00	1.86
8	Utility Gas Management	May-20	17,320.25	8,769.00	1.0555	8,308.00	2.08
9	Utility Gas Management	Jun-20	13,085.55	7,445.00	1.0559	7,051.00	1.86
10	Utility Gas Management	Jul-20	12,629.80	7,502.00	1.0595	7,081.00	1.78
11	Utility Gas Management	Aug-20	15,277.04	8,025.00	1.0602	7,569.00	2.02
12	Utility Gas Management	Sep-20	20,619.89	8,532.00	1.0600	8,049.00	2.56
<b>Total</b>			<b>279,579.46</b>	<b>130,781.00</b>	<b>1.0616</b>	<b>123,192.98</b>	<b>2.27</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	9,809.60	1.59%	2.44	9,968.00	9,810	1.59%	23,920	2.44
Utility Gas Management	12,593.30	-0.70%	2.74	22,473.99	22,403	0.32%	58,470	2.61
Utility Gas Management	12,870.00	1.50%	3.02	35,539.99	35,273	0.75%	97,298	2.76
Utility Gas Management	13,401.40	8.23%	2.76	50,142.99	48,674	2.93%	134,325	2.76
Utility Gas Management	13,918.70	-4.14%	1.82	63,507.99	62,593	1.44%	159,711	2.55
Utility Gas Management	10,298.60	11.26%	2.17	75,112.99	72,892	2.96%	182,012	2.50
Utility Gas Management	9,467.50	5.53%	1.97	85,134.99	82,359	3.26%	200,647	2.44
Utility Gas Management	8,333.60	-0.31%	2.08	93,442.99	90,693	2.94%	217,967	2.40
Utility Gas Management	7,183.80	-1.88%	1.82	100,493.98	97,877	2.60%	231,053	2.36
Utility Gas Management	6,453.10	8.87%	1.96	107,574.98	104,330	3.02%	243,683	2.34
Utility Gas Management	7,569.40	-0.01%	2.02	115,143.98	111,899	2.82%	258,960	2.31
Utility Gas Management	7,658.90	4.85%	2.69	123,192.98	119,558	2.95%	279,579	2.34
<b>Total</b>	<b>119,557.90</b>	<b>2.95%</b>	<b>2.34</b>	<b>123,192.98</b>	<b>119,557.90</b>	<b>2.95%</b>	<b>279,579</b>	<b>2.34</b>

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

**Meador, Wendy**

**From:** Ron Ragan <ron@utilitygas.com>  
**Sent:** Monday, November 16, 2020 9:17 AM  
**To:** Meador, Wendy  
**Subject:** Re: Estimated Futures

2.91  
2.88  
2.82

Ron Ragan  
Utility Gas Management  
Ron@utilitygas.com  
(913) 515-2994

2.91 Jan 2021  
2.88 Feb 2021  
2.82 Mar 2021  

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\$ 8.61 ÷ 3 = \$ 2.87  
3 month average

On Nov 16, 2020, at 10:14 AM, Meador, Wendy <wendym@wrecc.com> wrote:

Ron

It's that time again. Working on the GCA for the KY PSC. I need the estimated Nymex futures for the quarter of January 2021 to March 2021

Thanks

**Wendy Meador**  
**Member Service Supervisor**  
**Franklin Office**  
698 Morgantown Rd  
Franklin KY 42134  
[wendym@wrecc.com](mailto:wendym@wrecc.com)  
Office Phone: 270-842-5214, Ext. 3004  
Fax: 270-393-2615  
<image001.png>

\$ 2.87 3 month average  
0.08 - management fee - our  
0.210 - transport fee / supplier's  

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\$ 3.16 fees charged  
to us

Notice: The information contained in this electronic mail transmission, including attachments, is privileged, confidential, and intended only for the use of the individual(s) or entity named above. If you have received this communication in error please delete it from your system without copying or forwarding it and notify the sender of the error by reply e-mail or by calling Warren Rural Electric Cooperative Corporation (WRECC) (270) 842-6541, so that our records can be corrected. WRECC accepts no liability for any damage caused by this e-mail. Each recipient should check this e-mail and any attachments for the presence of malicious content, such as viruses, worms, and trojans.

Schedule 11- EGC rate(s)  
estimate  
\$ 3.16

**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 GCA with the Public Service Commission no later than 11-25-20 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:                                       |                                     |                                     |

Name	Electronic Mail Address
Wendy Meador	wendym@wpecc.com
Patty Kantosky	patty.k@wpecc.com

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.

Signer: Wendy Meador  
Name: wendy Meador  
Title: Member Service Supervisor  
Address: 696 Morgantown Rd  
Franklin KY 40134  
Telephone Number: 270 598 586 3443

psced@ky.gov

## Meador, Wendy

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**From:** Bruner, Brandon S (PSC) <brandon.bruner@ky.gov> on behalf of PSC Executive Director <PSCED@ky.gov>  
**Sent:** Tuesday, November 24, 2020 10:10 AM  
**To:** Meador, Wendy  
**Cc:** Hembree, Aimee M (PSC); Smith, Renee C (PSC); Flora, Lindsey L (PSC)  
**Subject:** RE: Millennium Energy, Inc. - Effective 01-01-21 Intent to File Electronically.pdf

We have received your above referenced filing. If you need further assistance please contact me. Thanks.

Best Regards,

Brandon Bruner  
Administrative Branch Manager  
Filings Branch  
General Administration

Kentucky Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601  
502-782-6329

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**From:** Meador, Wendy <wendym@wrecc.com>  
**Sent:** Tuesday, November 24, 2020 10:44 AM  
**To:** PSC Executive Director <PSCED@ky.gov>  
**Subject:** Millennium Energy, Inc. - Effective 01-01-21 Intent to File Electronically.pdf

**\*\*CAUTION\*\* PDF attachments may contain links to malicious sites. Please contact the COT Service Desk [ServiceCorrespondence@ky.gov](mailto:ServiceCorrespondence@ky.gov) for any assistance.**

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Attached is our intent to file electronically form for our quarterly GCA that will be effective 01-01-21 to 03-31-21

Please assign a case number as soon as possible so that we can get the report uploaded before the holiday

Thank you

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



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

Kent A. Chandler  
Vice Chairman

Talina R. Mathews  
Commissioner

November 24, 2020

## PARTIES OF RECORD

RE: Case No. **2020-00380**

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 November 24, 2020, and has been assigned Case No. 2020-00380. 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 Brandon Bruner in the Filings Branch at 502-564-3940.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Flora".

Lindsey L. Flora  
Deputy Executive Director

LLF/AH