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Franklin KY 42134  
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May 21, 2021

Linda C Bridwell  
Executive Director  
PO Box 615 / 211 Sower Blvd.  
Frankfort, KY 40602

RE: Case #            Gas Cost Adjustment Report

Dear Ms. Bridwell:

The following document is Millennium Energy's Gas Cost Adjustment Report for the quarter of July 1, 2021 to September 30, 2021. This GCA has been appointed case number 2021-00208 as of May 18, 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,

A handwritten signature in blue ink that reads "Patty Kantosky".

Patty Kantosky  
V.P. of Member Services

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

Date Filed: **1-Jun-21**

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Date Rates to be Effective: **July 1, 2021 to September 30, 2021**

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Reporting Period is Calendar Quarter Ended: **January 1, 2021 to March 31, 2021**

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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	3.8677
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	(0.4114)
+ Balance Adjustment (BA)	\$/Mcf	(0.0082)
<u>= Gas Cost Recovery Rate (GCR)</u>	\$/Mcf	<u>3.4481</u>

GCR to be effective for service rendered from: [07-01-21 to 09-30-21](#)

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	456,729.75
+ Sales for the 12 months ended 3/31/2021	Mcf	<u>118,087.60</u>
<u>- Expected Gas Cost (EGC)</u>	\$/Mcf	<u>3.8677</u>

<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>
<u>= Refund Adjustment (RA)</u>	\$/Mcf	<u>\$ -</u>

<u>C. ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	\$ (0.1810)
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0852)
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.0582)
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	<u>\$ (0.0870)</u>
<u>=Actual Adjustment (AA)</u>	\$/Mcf	<u>\$ (0.4114)</u>

<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	\$ (0.0004)
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0057)
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ (0.0003)
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	<u>\$ (0.0018)</u>
<u>=Balance Adjustment (BA)</u>	\$/Mcf	<u>\$ (0.0082)</u>

SCHEDULE II  
EXPECTED GAS COST

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Actual\* Mcf Purchase for 12 months ended

03/31/21

(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>
Apr-20 Utility Gas Management	10,628.00	1.0605	10,021.97	3.47000	36,879.16
May-20 Utility Gas Management	8,769.00	1.0555	8,308.00	3.47000	30,428.43
Jun-20 Utility Gas Management	7,445.00	1.0559	7,051.00	3.47000	25,834.15
Jul-20 Utility Gas Management	7,502.00	1.0595	7,081.00	3.47000	26,031.94
Aug-20 Utility Gas Management	8,025.00	1.0602	7,569.00	3.47000	27,846.75
Sep-20 Utility Gas Management	8,532.00	1.0600	8,049.00	3.47000	29,606.04
Oct-20 Utility Gas Management	10,546.00	1.0639	9,913.00	3.47000	36,594.62
Nov-20 Utility Gas Management	11,388.00	1.0600	10,743.00	3.47000	39,516.36
Dec-20 Utility Gas Management	14,820.00	1.0599	13,982.00	3.47000	51,425.40
Jan-21 Utility Gas Management	16,017.00	1.0583	15,135.00	3.47000	55,578.99
Feb-21 Utility Gas Management	15,591.00	1.0569	14,752.00	3.47000	54,100.77
Mar-21 Utility Gas Management	<u>13,427.00</u>	<u>1.0567</u>	<u>12,706.00</u>	<u>3.47000</u>	<u>46,591.69</u>
<b>Totals</b>	<b>132,690.00</b>	<b>1.0589</b>	<b>125,310.96</b>	<b>3.47000</b>	<b>460,434.30</b>

Line losses are 125,310.96 Mcf and sales of 118,087.60 Mcf. 5.76% for 12 months ended 3/31/2021 based on purchases of Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6) (to Schedule IA.)	\$	\$ 460,434.30
	Mcf	<u>125,310.96</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 3.6743
Plus: Expected Losses of (not to exceed 5%)	Mcf	124,302.74
= Total Expected Gas Cost	(J32*J33 if line loss) \$	<u>\$ 456,729.75</u>
Allowable Sales (maximum losses of 5%).		460,434.30

\*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 3/31/2021

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	\$ -
+ Interest	\$	\$ -
<hr/>		
= Refund Adjustment including interest	\$	\$ -
+ Sales for 12 months ended 3/31/2021	Mcf	118,088
<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\_ 3/31/2021

<u>Particulars</u>	<u>Unit</u>	Month 1 <u>Jan-21</u>	Month 2 <u>Feb-21</u>	Month 3 <u>Mar-21</u>
Total Supply Volumes Purchased	Mcf	15,135.00	14,752.00	12,706.00
Utility Gas Management				
Total Cost of Volumes Purchased	\$	\$ 39,719.81	\$ 42,286.15	\$ 40,463.44
 Total Sales	 Mcf	 <u>15,104.20</u>	 <u>14,533.60</u>	 <u>12,070.70</u>
(may not be less than 95% of supply volume (G8*0.95))				
<hr/> = Unit Cost of Gas	\$/Mcf	\$ 2.6297	\$ 2.9095	\$ 3.3522
 - EGC in effect for month	 \$/Mcf	 <u>\$ 3.4566</u>	 <u>\$ 3.4566</u>	 <u>\$ 3.4566</u>
<hr/> = Difference [ (Over-)/Under-Recovery]	\$/Mcf	\$ (0.8269)	\$ (0.5471)	\$ (0.1044)
 x Actual sales during month	 Mcf	 <u>15,104.20</u>	 <u>14,533.60</u>	 <u>8,981.20</u>
<hr/> = Monthly cost difference	\$	(12,489.37)	(7,950.69)	(937.60)

	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)				\$	\$ (21,377.66)
 + Sales for 12 months ended <u>3/31/2021</u>				Mcf	<u>118,088</u>
 = Actual Adjustment for the Reporting Period (to Schedule IC.)				\$/Mcf	\$ (0.1810)

SCHEDULE V  
BALANCE ADJUSTMENT

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For the 3 month period ended 3/31/2021

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)
1		\$	<u>(1,243.47)</u> <span style="margin-left: 20px;">Case No. 2020-00054</span> <span style="margin-left: 20px;">04-01-20 to 06-30-20</span>
			(Schedule IV - Line H35)
2 Less:	Dollars amount resulting from the AA of (0.0102) \$/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 118,088		
3	MCF during the 12 month period the AA was in effect.	\$	<u>(1,204.49)</u>
4 Equals:	Balance Adjustment for the AA.	\$	<u>(38.98)</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 - \$/MCF as used to compute the OCR in effect four quarters prior to the effective GCR times the sales of 118,088 MCF		
7	during the 12 month period the RA was in effect.	\$	<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)
9		\$	<u>(124.52)</u> <span style="margin-left: 20px;">Case No. 2020-00054</span> <span style="margin-left: 20px;">04-01-20 to 06-30-20</span>
			(Line 15/Cell K48)
10 Less:	Dollar amount resulting from the BA of (0.0010) \$/MCF four quarters prior to the effective date of the currently effective GCR times the sales of 118,088 MCF during the 12 month period the BA was in effect.		
11		\$	<u>(118.09)</u>
12 Equals:	Balance Adjustment for the BA.	\$	<u>(6.43)</u>
13	Total Balance Adjustment Amount (1) + (2) + (3)	\$	<u>-45.41</u>
14 Divided By Sales for 12 months ended	3/31/2021	\$	<u>118,088</u>
15 Equals:	Balance Adjustment for the Reporting Period (to Schedule ID).	\$/MCF	<u>(0.0004)</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	Apr-20	18,635.05	10,628.00	1.0605	10,021.97	1.86
2	Utility Gas Management	May-20	17,320.25	8,769.00	1.0555	8,308.00	2.08
3	Utility Gas Management	Jun-20	13,085.55	7,445.00	1.0559	7,051.00	1.86
4	Utility Gas Management	Jul-20	12,629.80	7,502.00	1.0595	7,081.00	1.78
5	Utility Gas Management	Aug-20	15,277.04	8,025.00	1.0602	7,569.00	2.02
6	Utility Gas Management	Sep-20	20,619.89	8,532.00	1.0600	8,049.00	2.56
7	Utility Gas Management	Oct-20	23,072.95	10,546.00	1.0639	9,913.00	2.33
8	Utility Gas Management	Nov-20	35,511.26	11,388.00	1.0600	10,743.00	3.31
9	Utility Gas Management	Dec-20	39,949.76	14,820.00	1.0599	13,982.00	2.86
10	Utility Gas Management	Jan-21	39,719.81	16,017.00	1.0583	15,135.00	2.62
11	Utility Gas Management	Feb-21	42,286.15	15,591.00	1.0569	14,752.00	2.87
12	Utility Gas Management	Mar-21	40,463.44	13,427.00	1.0567	12,706.00	3.18
	<b>Total</b>		<b>318,570.95</b>	<b>132,690.00</b>	<b>1.0589</b>	<b>125,310.96</b>	<b>2.54</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)	(mcF)	(%)	(\$/mcF)	(mcF)	(mcF)	(%)	(\$)	(\$/mcF)
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(o)
Utility Gas Management	9,467.50	5.53%	1.97	10,021.97	9,468	5.53%	18,635	1.97
Utility Gas Management	8,333.60	-0.31%	2.08	18,329.97	17,801	2.89%	35,955	2.02
Utility Gas Management	7,183.80	-1.88%	1.82	25,380.97	24,985	1.56%	49,041	1.96
Utility Gas Management	6,453.10	8.87%	1.96	32,461.97	31,438	3.15%	61,671	1.96
Utility Gas Management	7,569.40	-0.01%	2.02	40,030.96	39,007	2.56%	76,948	1.97
Utility Gas Management	7,658.90	4.85%	2.69	48,079.97	46,666	2.94%	97,568	2.09
Utility Gas Management	9,759.30	1.55%	2.36	57,992.96	56,426	2.70%	120,641	2.14
Utility Gas Management	9,857.10	8.25%	3.60	68,735.96	66,283	3.57%	156,152	2.36
Utility Gas Management	13,185.90	5.69%	3.03	82,717.97	79,469	3.93%	196,102	2.47
Utility Gas Management	15,104.20	0.20%	2.63	97,852.97	94,573	3.35%	235,821	2.49
Utility Gas Management	14,533.60	1.48%	2.91	112,604.96	109,106	3.11%	278,108	2.55
Utility Gas Management	<u>8,981.20</u>	<u>29.32%</u>	<u>4.51</u>	<u>125,310.96</u>	<u>118,088</u>	<u>5.76%</u>	<u>318,571</u>	<u>2.70</u>
<b>Total</b>	<b>118,087.60</b>	<b>5.76%</b>	<b>2.70</b>	<b>125,310.96</b>	<b>118,087.60</b>	<b>5.76%</b>	<b>318,571</b>	<b>2.70</b>

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

**Meador, Wendy**

**From:** Ron Ragan <ron@utilitygas.com>  
**Sent:** Monday, May 17, 2021 2:40 PM  
**To:** Meador, Wendy  
**Subject:** Re: Nymex futures

\$3.175  
\$3.18  
\$3.17

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

$$\begin{array}{r} \$ 3.175 \text{ July } 2021 \\ 3.18 \text{ August } 2021 \\ 3.17 \text{ September } 2021 \\ \hline \$ 9.525 / 3 = \$ 3.18 \\ \text{3-Month average} \end{array}$$

On May 17, 2021, at 3:33 PM, Meador, Wendy <wendym@wrecc.com> wrote:

Ron

I am working on my GCA Report for the KY PSC. I need the estimated Nymex futures for the quarter of July, August and September 2021 please

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>

$$\begin{array}{r} \$ 3.18 \text{ 3 Month average} \\ 0.08 \text{ Management Fee} \\ 0.210 \text{ transport Fee} \\ \hline \$ 3.47 \end{array}$$
  
our suppliers fees charged to us

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Schedule 11 - EGC Rate (5)  
Estimate - \$ 3.47