



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

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May 20, 2022

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, 2022 to September 30, 2022.**

This GCA has been appointed case number **2022-00137** as of **May-12-22.**

We also request that correspondence regarding this GCA be emailed to [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 written in a cursive, flowing style.

Patty Kantosky  
V.P. of Member Services

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

Date Filed: **1-Jun-22.**

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Date Rates to be Effective: **July 1, 2022 to September 30, 2022**

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Reporting Period is Calendar Quarter Ended: **January 1, 2022 to March 31, 2022**

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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	8.5961
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	0.4968
+ Balance Adjustment (BA)	\$/Mcf	<u>0.0038</u>
= Gas Cost Recovery Rate (GCR)	\$/Mcf	9.0967

GCR to be effective for service rendered from: **07-01-22 to 09-30-22**

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	1,080,372.78
+ Sales for the 12 months ended <b><u>03/31/22</u></b>	Mcf	<u>125,682.40</u>
- Expected Gas Cost (EGC)	\$/Mcf	8.5961

<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	\$ 0.1725
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ 0.3729
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ 0.0867
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	<u>\$ (0.1353)</u>
=Actual Adjustment (AA)	\$/Mcf	\$ 0.4968

<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	\$ 0.0062
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.0025
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$ 0.0009
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	<u>\$ (0.0058)</u>
=Balance Adjustment (BA)	\$/Mcf	\$ 0.0038

SCHEDULE II  
EXPECTED GAS COST

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Actual\* Mcf Purchase for 12 months ended

03/31/22

(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-21 Utility Gas Management	11,581.00	1.0570	10,957.00	8.01000	92,763.81
May-21 Utility Gas Management	9,690.00	1.0567	9,170.00	8.01000	77,616.90
Jun-21 Utility Gas Management	8,177.00	1.0566	7,739.00	8.01000	65,497.77
Jul-21 Utility Gas Management	8,208.00	1.0568	7,767.00	8.01000	65,746.08
Aug-21 Utility Gas Management	8,322.00	1.0560	7,881.00	8.01000	66,659.22
Sep-21 Utility Gas Management	8,773.00	1.0652	8,236.00	8.01000	70,271.73
Oct-21 Utility Gas Management	10,766.00	1.0664	10,096.00	8.01000	86,235.66
Nov-21 Utility Gas Management	13,303.00	1.0580	12,574.00	8.01000	106,557.03
Dec-21 Utility Gas Management	12,814.00	1.0587	12,103.00	8.01000	102,640.14
Jan-22 Utility Gas Management	16,880.00	1.0530	16,031.00	8.01000	135,208.80
Feb-22 Utility Gas Management	13,957.00	1.0579	13,193.00	8.01000	111,795.57
Mar-22 Utility Gas Management	12,407.00	1.0654	11,645.00	8.01000	99,380.07
Totals	134,878.00	1.0588	127,391.99	8.01000	1,080,372.78

Line losses are 127,391.99 Mcf and sales of 125,682.40 Mcf. 1.34% for 12 months ended 3/31/2022 based on purchases of

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6) (to Schedule IA.)	\$	\$ 1,080,372.78
	Mcf	<u>127,391.99</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 8.4807
Plus: Expected Losses of (not to exceed 5%)	Mcf	1,080,372.78
= Total Expected Gas Cost	\$	\$ 1,080,372.78
Allowable Sales (maximum losses of 5%).		1,080,372.78

\*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 3/31/2022

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	\$ -
<u>+ Interest</u>	\$	<u>\$ -</u>
 = Refund Adjustment including interest	 \$	 \$ -
<u>+ Sales for 12 months ended 3/31/2022</u>	<u>Mcf</u>	<u>125,682</u>
 =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\_ 3/31/2022

<u>Particulars</u>	<u>Unit</u>	Month 1 <u>Jan-22</u>	Month 2 <u>Feb-22</u>	Month 3 <u>Mar-22</u>
Total Supply Volumes Purchased	Mcf	16,031.00	13,193.00	11,645.00
Utility Gas Management				
Total Cost of Volumes Purchased	\$	\$ 95,531.63	\$ 94,576.11	\$ 59,755.63
 Total Sales	 Mcf	 <u>15,229.45</u>	 <u>12,842.90</u>	 <u>11,360.90</u>
(may not be less than 95% of supply volume (G8*0.95))				
= Unit Cost of Gas	\$/Mcf	\$ 6.2728	\$ 7.3641	\$ 5.2598
 - EGC in effect for month	 \$/Mcf	 <u>\$ 5.7842</u>	 <u>\$ 5.7842</u>	 <u>\$ 5.7842</u>
 = Difference [ (Over-)/Under-Recovery]	 \$/Mcf	 \$ 0.4886	 \$ 1.5799	 \$ (0.5244)
 x Actual sales during month	 Mcf	 <u>15,027.00</u>	 <u>12,842.90</u>	 <u>11,360.90</u>
 = Monthly cost difference	 \$	 7,342.53	 20,290.21	 (5,958.09)

	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)				\$	\$ 21,674.65
 + Sales for 12 months ended <u>3/31/2022</u>				Mcf	<u>125,682</u>
 = Actual Adjustment for the Reporting Period (to Schedule IC.)				\$/Mcf	\$ 0.1725

SCHEDULE V  
BALANCE ADJUSTMENT

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For the 3 month period ended 3/31/2022

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>(9,975.64)</u> <span style="margin-left: 20px;">Case No. 2021-00068</span> <span style="margin-left: 20px;">04-01-21 to 06-30-21</span>
2 Less:	Dollars amount resulting from the AA of <span style="margin-left: 100px;">(0.0852)</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;">125,682</span> MCF during the 12 month period the AA was in effect.		
3		\$	<u>(10,708.14)</u>
4 Equals:	Balance Adjustment for the AA.	\$	<u>732.50</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 <span style="margin-left: 100px;">-</span> \$/MCF as used to compute the OCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of <span style="margin-left: 50px;">125,682</span> 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)
9		\$	<u>(670.04)</u> <span style="margin-left: 20px;">Case No. 2021-00068</span> <span style="margin-left: 20px;">04-01-21 to 06-30-21</span>
10 Less:	Dollar amount resulting from the BA of <span style="margin-left: 100px;">(0.0057)</span> \$/MCF four quarters prior to the effective date of the currently effective GCR times the sales of <span style="margin-left: 50px;">125,682</span> MCF during the 12 month period the BA was in effect.		
11		\$	<u>(716.39)</u>
12 Equals:	Balance Adjustment for the BA.	\$	<u>46.35</u>
13	Total Balance Adjustment Amount (1) + (2) + (3)	\$	<u>778.85</u>
14 Divided By Sales for 12 months ended <span style="margin-left: 50px;">3/31/2022</span>		\$	<u>125.682</u>
15 Equals:	Balance Adjustment for the Reporting Period (to Schedule ID).	\$/MCF	<u>0.0062</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-21	31,407.38	11,581.00	1.0570	10,957.00	2.87
2	Utility Gas Management	May-21	27,205.13	9,690.00	1.0567	9,170.00	2.97
3	Utility Gas Management	Jun-21	24,883.16	8,177.00	1.0566	7,739.00	3.22
4	Utility Gas Management	Jul-21	29,759.55	8,208.00	1.0568	7,767.00	3.83
5	Utility Gas Management	Aug-21	33,536.68	8,322.00	1.0560	7,881.00	4.26
6	Utility Gas Management	Sep-21	38,587.69	8,773.00	1.0652	8,236.00	4.69
7	Utility Gas Management	Oct-21	62,861.73	10,766.00	1.0664	10,096.00	6.23
8	Utility Gas Management	Nov-21	81,657.70	13,303.00	1.0580	12,574.00	6.49
9	Utility Gas Management	Dec-21	76,679.91	12,814.00	1.0587	12,103.00	6.34
10	Utility Gas Management	Jan-22	95,531.63	16,880.00	1.0530	16,031.00	5.96
11	Utility Gas Management	Feb-22	94,576.11	13,957.00	1.0579	13,193.00	7.17
12	Utility Gas Management	Mar-22	<u>59,755.63</u>	<u>12,407.00</u>	<u>1.0654</u>	<u>11,645.00</u>	<u>5.13</u>
<b>Total</b>			<b>656,442.30</b>	<b>134,878.00</b>	<b>1.0588</b>	<b>127,391.99</b>	<b>5.15</b>

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[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	11,059.10	-0.93%	2.84	10,957.00	11,059	-0.93%	31,407	2.84
Utility Gas Management	9,252.60	-0.90%	2.94	20,127.00	20,312	-0.92%	58,613	2.89
Utility Gas Management	7,667.60	0.92%	3.25	27,866.00	27,979	-0.41%	83,496	2.98
Utility Gas Management	7,924.50	-2.03%	3.76	35,633.00	35,904	-0.76%	113,255	3.15
Utility Gas Management	7,573.40	3.90%	4.43	43,514.00	43,477	0.08%	146,792	3.38
Utility Gas Management	8,087.80	1.80%	4.77	51,750.00	51,565	0.36%	185,380	3.60
Utility Gas Management	9,977.80	1.17%	6.30	61,846.00	61,543	0.49%	248,241	4.03
Utility Gas Management	12,410.60	1.30%	6.58	74,419.99	73,953	0.63%	329,899	4.46
Utility Gas Management	12,498.20	-3.27%	6.14	86,522.99	86,452	0.08%	406,579	4.70
Utility Gas Management	15,027.00	6.26%	6.36	102,553.99	101,479	1.05%	502,111	4.95
Utility Gas Management	12,842.90	2.65%	7.36	115,746.99	114,322	1.23%	596,687	5.22
Utility Gas Management	11,360.90	2.44%	5.26	127,391.99	125,682	1.34%	656,442	5.22
<b>Total</b>	<b>125,682.40</b>	<b>1.34%</b>	<b>5.22</b>	<b>127,391.99</b>	<b>125,682.40</b>	<b>1.34%</b>	<b>656,442</b>	<b>5.22</b>

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

**Meador, Wendy**

**From:** Ron Ragan <ron@utilitygas.com>  
**Sent:** Wednesday, May 11, 2022 2:12 PM  
**To:** Meador, Wendy  
**Subject:** 'EXTERNAL' Re: Nymex futures

**CAUTION!!! This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe!**

You won't like them!

July- \$7.76  
Aug-\$7.72  
Sep-\$7.69

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

$\$ 7.76$  (July)  
 $7.72$  (August)  
 $7.69$  (September)  

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 $\$ 23.17 \div 3 = \$ 7.72$  Average

On May 11, 2022, at 2:19 PM, Meador, Wendy <wendym@wrecc.com> wrote:

Ron

I am working on my Gas Cost Adjustment Report for the KY PSC.

I need the estimated natural gas futures for the quarter of: July, August and September 2022

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



$\$ 7.72$  3 month average  
 $0.08$  Management See our suppliers  
 $0.210$  transport See <sup>Sees</sup> charged to us  

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 $\$ 8.01$

Schedule 11- EG rate (5)  
EG time - \$8.01

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

**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 Gas Cost Adjustment with the Public Service Commission no later than May 27, 2022 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
<u>Wendy Meador</u>	<u>wendym@wkecc.com</u>
<u>Patty Kantosky</u>	<u>pattyk@wkecc.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 Services Supervisor  
 Address: 698 Morgantown Rd  
Franklin KY 42134  
 Telephone Number: 270-586-3443 ext. 3004

Andy Beshear  
Governor

Rebecca W. Goodman  
Secretary  
Energy and Environment Cabinet



Kent A. Chandler  
Chairman

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

May 12, 2022

## PARTIES OF RECORD

RE: Case No. **2022-00137**

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 12, 2022, and has been assigned Case No. 2022-00137. 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 blue ink that reads "Linda C. Bridwell".

Linda C. Bridwell  
Executive Director

LCB/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