

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF MILLENNIUM) CASE NO. 2010-00338
ENERGY, INC.)

ORDER

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.¹

On August 23, 2010, Millennium filed its proposed GCA to be effective October 1, 2010.

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 notice sets out an Expected Gas Cost ("EGC") of \$4.7708 per Mcf, which is an increase of \$.3219 per Mcf from its previous EGC of \$4.4489 per Mcf.
3. Millennium's notice sets out no Refund Adjustment.

¹ Case No. 1999-00312, Petition of Millennium Energy, Inc. for Approval of an Initial Rate Schedule for Serving Customers from an Existing Gas Supply Line (Ky. PSC Dec. 2, 1999).

4. Millennium's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0292) per Mcf. In calculating its current quarter AA, Millennium mistakenly entered its "EGC in effect for month" rates into the "Unit Cost of Gas" columns for each month. Correcting this produces a current quarter AA of (\$.0186). Millennium's total AA is \$1.8579 per Mcf, which is a decrease of \$.9268 per Mcf from the previous total AA of \$2.7847 per Mcf.

5. Millennium's notice sets out a current quarter Balance Adjustment ("BA") of (\$.0229) per Mcf. Millennium's total BA is (\$.0077) per Mcf, which is a decrease of \$.0357 per Mcf from the previous total BA of \$.0280 per Mcf.

6. Millennium's Gas Cost Recovery Rate is \$6.6210 per Mcf, which is a decrease of \$.6406 per Mcf from the previous rate of \$7.2616 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for service rendered by Millennium on and after October 1, 2010.

IT IS THEREFORE ORDERED that:

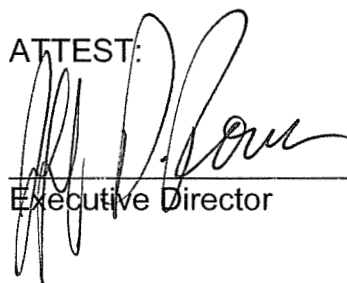
1. The rates in the Appendix to this Order are approved for service rendered on and after October 1, 2010.

2. Within 20 days of the date of this Order, Millennium shall file its revised tariffs with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED *A*
SEP 24 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2010-00338

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00338 DATED **SEP 24 2010**

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>Base Rate</u> | <u>Gas Cost Recovery Rate</u> | <u>Total</u> |
|-----------------|------------------|---------------------------------------|--------------|
| Customer Charge | \$6.00 | | \$ 6.00 |
| All Mcf | \$4.00 | \$6.6210 | \$10.6210 |

Commercial and Industrial

| | | | |
|-----------------|---------|----------|----------|
| Customer Charge | \$20.00 | | \$20.00 |
| All Mcf | \$ 3.00 | \$6.6210 | \$9.6210 |

Wayne Goodrum
Manager
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