

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF KENTUCKY FRONTIER GAS,)
LLC D/B/A BELFRY GAS COMPANY, INC.) CASE NO. 2011-00192

ORDER

On November 25, 2008,¹ the Commission approved Kentucky Frontier Gas, LLC's ("Kentucky Frontier") acquisition of the assets of Belfry Gas Company, Inc. ("Belfry"). Upon completion of the acquisition, Kentucky Frontier adopted the tariff of Belfry, which included a Gas Cost Adjustment ("GCA") clause that provided for the adjustment of rates on a quarterly basis to reflect changes in the cost of purchased natural gas. On May 31, 2011, Kentucky Frontier, doing business as Belfry, filed its GCA to be effective July 1, 2011.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Belfry's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Belfry's notice sets out an Expected Gas Cost ("EGC") of \$5.8749 per Mcf, an increase of \$1.1427 per Mcf from its prior EGC of \$4.7322 per Mcf.
3. Belfry's notice sets out no Refund Adjustment.

¹ Case No. 2008-00394, Application of Kentucky Frontier Gas, LLC for Approval of Financing and Transfer of Control (Ky. PSC Nov. 25, 2008).

4. Belfry's notice sets out a current quarter Actual Adjustment ("AA") of (\$.1716) per Mcf. Belfry's total AA is (\$1.2801) per Mcf, which is a decrease of \$.5291 per Mcf from its previous total AA of (\$.7510) per Mcf.

5. Belfry's notice sets out no Balance Adjustment.

6. Belfry's GCA is \$4.5948 per Mcf, which is an increase of \$.6136 per Mcf from its previous rate of \$3.9812 per Mcf.

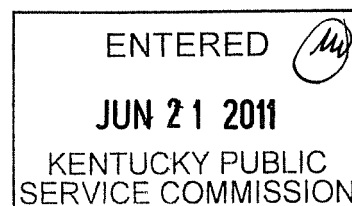
7. The rates in the Appendix to this Order are fair, just, and reasonable and should be approved for billing for service rendered by Belfry on and after July 1, 2011.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered on and after July 1, 2011.

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

By the Commission



ATTEST:

Stephanie Bell for Jeff Derosier
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00192 DATED **JUN 21 2011**

The following rates and charges are prescribed for the customers served by Belfry Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RETAIL RATES:

Monthly usage

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet (Minimum Bill)	\$4.2667	\$4.5948	\$8.8615
Over 1,000 cubic feet	\$2.7182	\$4.5948	\$7.3130

Dennis Horner
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