

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF KENTUCKY FRONTIER)	CASE NO. 2010-00388
GAS, LLC DBA MIKE LITTLE GAS)	
COMPANY, INC.)	

ORDER

On October 22, 2003, in Case No. 2003-00141,¹ the Commission approved rates for Kentucky Frontier Gas, LLC d/b/a Mike Little Gas Company, Inc. ("Mike Little") and provided for their further adjustment in accordance with Mike Little's Gas Cost Adjustment ("GCA") clause.

On October 1, 2010, Mike Little filed its proposed GCA to be effective November 1, 2010.

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

1. Mike Little's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Mike Little's notice sets out an Expected Gas Cost ("EGC") of \$5.4087 per Mcf. Mike Little inadvertently failed to include gas cost from its supplier, Columbia Gas

¹ Case No. 2003-00141, Application of Mike Little Gas Company, Inc. for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities (Ky. PSC Oct. 22, 2003).

of Kentucky, Inc., in its calculation. Correcting for this produces an EGC of \$6.5786 per Mcf, which is a decrease of \$.2379 per Mcf from the previous EGC of \$6.8165 per Mcf.

3. Mike Little's notice sets out no current quarter Refund Adjustment ("RA") and it had no RAs from previous quarters.

4. Mike Little's notice sets out a current quarter Actual Adjustment ("AA") of \$.0897 per Mcf. Mike Little's total AA of \$1.8171 per Mcf is an increase of \$.4571 per Mcf from the previous total AA of \$1.3600 per Mcf.

5. Mike Little's GCA rate is \$8.3957 per Mcf, which is an increase of \$.2192 per Mcf from the previous rate of \$8.1765 per Mcf.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Mike Little on and after November 1, 2010.

IT IS THEREFORE ORDERED that:

1. Mike Little's proposed rates are denied.

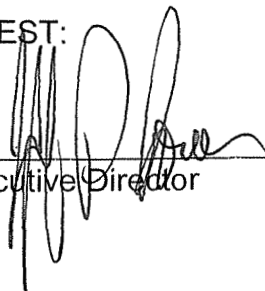
2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after November 1, 2010.

3. Within 20 days of the date of this Order, Mike Little 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 *ew*
OCT 26 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2010-00388

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00388 DATED **OCT 26 2010**

The following rates and charges are prescribed for the customers in the area served by Mike Little 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.

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf – Minimum Bill	\$5.50	\$ 8.3957	\$13.8957
Over 1 Mcf	\$4.3271	\$ 8.3957	\$12.7228

Dennis R Horner
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