

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF KENTUCKY FRONTIER) CASE NO. 2009-00371
GAS, LLC DBA MIKE LITTLE GAS)
COMPANY, INC.)

ORDER

On October 22, 2003, in Case No. 2003-00141,¹ the Commission approved rates for 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 September 15, 2009, Mike Little filed its proposed GCA with an effective date of October 1, 2009. On October 2, 2009, Mike Little filed to change its proposed effective date to November 1, 2009 in conformity with its GCA tariff.

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 \$6.7580 per Mcf, which is a decrease of \$.4280 per Mcf from the previous EGC of \$7.1860 per Mcf.
3. Mike Little's notice sets out no current quarter Refund Adjustment ("RA"), and it had no RAs from previous quarters.

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).

4. Mike Little's notice sets out a current quarter Actual Adjustment ("AA") of (\$.6563) per Mcf. Mike Little did not use the "EGC in effect for month" of \$7.6063 in calculating the cost differences for June and July. Correcting for this results in a current quarter AA of (\$.3674) per Mcf. Mike Little mistakenly included the (\$.1126) adjustment made in the previous quarter AA in the present quarter AA; that amount is included in the (\$2.0662) previous quarter AA that is still a factor in Mike Little's rates. Mike Little's total AA of (\$2.1761) per Mcf is a decrease of \$.3674 per Mcf from the previous total AA of (\$1.8087) per Mcf.

5. Mike Little's Gas Cost Adjustment Rate is \$4.5819 per Mcf, which is a decrease of \$.7954 per Mcf from the previous rate of \$5.3773 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, 2009.

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, 2009.
3. Within 20 days of the date of this Order, Mike Little shall file with this Commission its revised tariffs setting out the rates authorized herein.

By the Commission

ENTERED
OCT 15 2009 *M*
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2009-00371

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00371 DATED OCT 15 2009

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	\$ 4.5819	\$10.0819
Over 1 Mcf	\$4.3271	\$ 4.5819	\$ 8.9090

Robert Oxford
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