

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT )  
FILING OF KENTUCKY FRONTIER GAS, ) CASE NO. 2010-00091  
LLC D/B/A BELFRY GAS COMPANY, INC. )

ORDER

On October 11, 1993, in Case No. 1993-00111, the Commission approved rates for Belfry Gas Company, Inc. ("Belfry") and provided for their further adjustment in accordance with Belfry's Gas Cost Adjustment ("GCA") clause.<sup>1</sup>

On February 26, 2010, Belfry filed its GCA to be effective April 1, 2010.

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 \$6.1789 per Mcf, a decrease of \$.3617 per Mcf from its prior EGC of \$6.5406 per Mcf.
3. Belfry's notice sets out no Refund Adjustment ("RA") for the current quarter. Belfry's total RA is \$.0000 per Mcf, which is no change from the prior total RA.

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<sup>1</sup> Case No. 1993-00111, Adjustment of Rates of Belfry Gas Company, Inc. and for Authority to Incur Additional Indebtedness (Ky. PSC Oct. 11, 1993).

4. Belfry's notice sets out a current quarter Actual Adjustment ("AA") of (\$.1841) per Mcf. Belfry calculated its AA using an incorrect "EGC in effect for month" for October, November, and December 2009. Belfry used the \$6.5406 EGC approved in its last GCA case instead of the \$4.8530-per-Mcf EGC approved to be charged during the months of October, November, and December 2009 in Case No. 2009-00204.<sup>2</sup> Correcting this error produces a current quarter AA of \$.1944 per Mcf. Belfry's total AA is (\$2.6266) per Mcf, which is an increase of \$.1944 per Mcf from its previous total AA of (\$2.8210) per Mcf.

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

6. Belfry's GCA is \$3.5523 per Mcf, which is a decrease of \$.1673 per Mcf from its previous rate of \$3.7196 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 April 1, 2010.

IT IS THEREFORE ORDERED that:

1. Belfry'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 April 1, 2010.

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

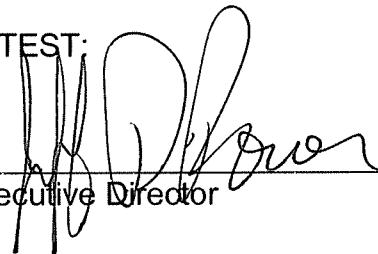
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<sup>2</sup> Case No. 2009-00204, Purchased Gas Adjustment Filing of Kentucky Frontier Gas, LLC d/b/a Belfry Gas Company, Inc. (Ky. PSC June 16, 2009).

By the Commission

ENTERED *aw*  
MAR 10 2010  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2010-00091 DATED **MAR 10 2010**

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	\$3.5523	\$7.8190
Over 1,000 cubic feet	\$2.7182	\$3.5523	\$6.2705

Dennis R Horner  
Kentucky Frontier Gas, LLC  
4891 Independence Street, Suite 200  
Wheat Ridge, CO 80033