

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF KENTUCKY FRONTIER GAS,)	CASE NO. 2010-00217
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.¹

On June 1, 2010, Belfry filed its GCA to be effective July 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 \$6.1429 per Mcf, a decrease of \$.0360 per Mcf from its prior EGC of \$6.1789 per Mcf.
3. Belfry's notice sets out no Refund Adjustment ("RA").
4. Belfry's notice sets out a current quarter Actual Adjustment ("AA") of \$.5304 per Mcf. Belfry calculated its AA using an incorrect "EGC in effect for month" for

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

January, February, and March 2010. Belfry used the \$6.1789 EGC approved in its last GCA case instead of the \$6.5406-per-Mcf EGC approved to be charged during the months of January, February, and March 2010 in Case No. 2009-00458.² Correcting this error produces a current quarter AA of \$.3575 per Mcf. Belfry's total AA is (\$.5465) per Mcf, which is an increase of \$2.0801 per Mcf from its previous total AA of (\$2.6266) per Mcf.

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

6. Belfry's GCA is \$5.5964 per Mcf, which is an increase of \$2.0441 per Mcf from its previous rate of \$3.5523 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, 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 July 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.

² Case No. 2009-00458, Purchased Gas Adjustment Filing of Kentucky Frontier Gas, LLC (Ky. PSC Dec. 18, 2009).

By the Commission

ENTERED *ew*
JUN 25 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00217 DATED **JUN 25 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>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First 1,000 cubic feet (Minimum Bill)	\$4.2667	\$5.5964	\$9.8631
Over 1,000 cubic feet	\$2.7182	\$5.5964	\$8.3146

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