

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF KENTUCKY FRONTIER GAS,)	CASE NO. 2010-00348
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 August 31, 2010, Belfry filed its GCA to be effective October 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 \$6.5292 per Mcf, an increase of \$.3863 per Mcf from its prior EGC of \$6.1429 per Mcf.
3. Belfry's notice sets out no Refund Adjustment.

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).

4. Belfry's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0134) per Mcf. Belfry's total AA is (\$.1689) per Mcf, which is an increase of \$.3776 per Mcf from its previous total AA of (\$.5465) per Mcf.

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

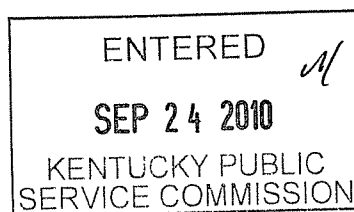
6. Belfry's GCA is \$6.3603 per Mcf, which is an increase of \$.7639 per Mcf from its previous rate of \$5.5964 per Mcf.

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 October 1, 2010.

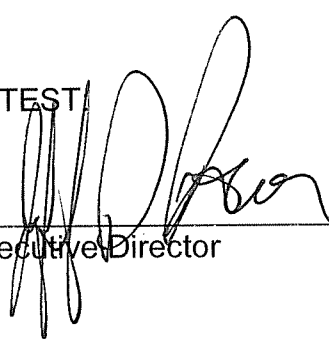
IT IS THEREFORE ORDERED that:

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 October 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.

By the Commission



ATTEST



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00348 DATED SEP 24 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	\$6.3603	\$10.6270
Over 1,000 cubic feet	\$2.7182	\$6.3603	\$ 9.0785

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