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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

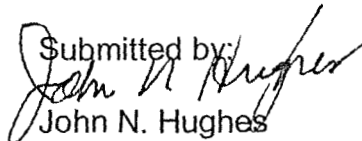
In the Matter of:

APPLICATION OF KENTUCKY FRONTIER GAS, LLC
FOR APPROVAL OF CONSOLIDATION OF AND
ADJUSTMENT OF RATES, APPROVAL OF AMR
EQUIPMENT AND A CERTIFICATE OF
CONVENIENCE AND NECESSITY FOR
INSTALLATION OF AMR, PIPELINE REPLACEMENT
PROGRAM, REVISION OF NON-RECURRING FEES
AND REVISION OF TARIFFS

CASE NO.
2011-00443

KENTUCKY FRONTIER GAS, LLC's RESPONSE TO
HEARING DATA REQUESTS

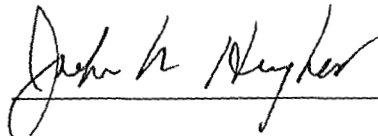
Submitted by:



John N. Hughes
124 West Todd St.
Frankfort, KY 40601
502 227 7270
Attorney for Kentucky Frontier Gas, LLC

Certification:

I certify that a copy of this response was mailed to Robin Simpson Smith, Box 216
Prestonsburg, KY 41653 and to Joe and Gloria Conley, 231 Mine Fork Rd., Salyersville,
KY 41465 the 1st day of March, 2013.



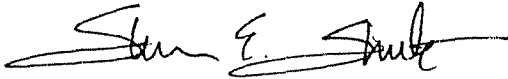
CERTIFICATION

DECLARATION OF STEVEN SHUTE

I, Steven Shute, am a Member of Kentucky Frontier Gas, LLC, the Applicant in the referenced matter. I have read the Application and I have full authority to sign this declaration. The facts set forth therein are true and correct to the best of my knowledge, information and belief.

Pursuant to KRS 523.020-040, I certify under penalty of false swearing that the foregoing is true and correct.

Dated this 28th day of February, 2013.

A handwritten signature in black ink, appearing to read "Steven E. Shute", written over a horizontal line.

Steven Shute

Member, Kentucky Frontier Gas, LLC

Witness for all responses: Shute

1. Explain the discrepancy between Mike Little acquisition adjustment in the 2/1/13 depreciation schedule and the acquisition adjustment (\$481,045 vs \$350,000) See PSC exhibit A.

The journal entries had significant errors, including a large Belfry payment incorrectly attributed to MLG. Frontier paid \$322,000 for MLG, including cash and \$100k allocated to paying the GOLD loan shared with ECU. Added to the cash cost of MLG, Frontier attributed to the purchase cost an account receivable due from the former owner for operating the company during 2008.

See Revised Journal Entries schedules for Belfry-ECU-MLG. These show the assets accounts as they were actually received by Frontier in Dec08, almost solely in Mains, Services and Meters. There were only 2 old trucks and a newer tractor-loader included in one of the 3 transactions, and few office or shop furnishings.

This schedule also derives the Acquisition Adjustment for each entity.

The Effects of Dec08 Asset Purchase schedule attempts to show the changes in Assets from the last reports to the Commission in the 2007 Annual Reports. Each entity carried many asset accounts on their books, but the Frontier purchases can be collapsed down to Mains & Meters.

The revised Acquisition Adjustments are carried to the Depreciation schedule, a revision of the schedule filed in November. The original case filing had a very significant error in the Revenue Requirements schedule. The Depreciation figure included depreciation for all entities and amortization of the Auxier and Cow Creek acquisitions; but the Acquisition Adjustments for Belfry-ECU-Mike Little were inexplicably not included. Also missing were several vehicle and equipment purchases that were completed at the time of filing.

GENERAL JOURNAL ENTRIES & DEPRECIATION
12/31/08

ACCT #	JOURNAL ENTRIES		Accumulated Depreciation	Purchased Net Book Value
	DEBIT	CREDIT		
<u>MIKE LITTLE GAS:</u>				
131	CASH			
		\$322,000.00		
142	ACCTS RECEIVABLE applied to purchase			\$19,567.00
DISTRIBUTION PLANT:				
376	MAINS	\$170,244.00	\$94,697.03	\$75,546.97
381	METERS	\$18,375.00	\$10,220.97	\$8,154.03
	TOTAL DISTRIBUTION PLANT	<u>\$188,619.00</u>		
GENERAL PLANT:				
396	POWER EQUIPMENT	\$7,000.00		\$7,000.00
	TOTAL GENERAL PLANT	<u>\$7,000.00</u>		
110	TOTAL DEPRECIATION			\$104,918.00
ACQUISITION ADJUSTMENTS				
	GAS PLANT ACQUISITION ADJUSTMENT	\$250,866.00		
114	TOTAL ACQUISITION ADJUSTMENTS	<u>\$250,866.00</u>		
	TOTALS	<u><u>\$446,485.00</u></u>	<u><u>\$104,918.00</u></u>	<u><u>\$90,701.00</u></u>

Check figure: Net book value per PSC 2007 Filed Report

\$90,701.00

**GENERAL JOURNAL ENTRIES & DEPRECIATION
12/31/08**

ACCT #	JOURNAL ENTRIES		Accumulated Depreciation	Purchased Net Book Value
	DEBIT	CREDIT		
	<u>BELFRY GAS INC:</u>			
131	CASH			
		\$502,000.00		
	TRANSMISSION PLANT:			
367	MAINS			
		\$270,168.00		
	TOTAL TRANSMISSION PLANT	<u>\$270,168.00</u>	\$156,498.07	\$113,669.93
	DISTRIBUTION PLANT:			
381	METERS			
		\$93,619.00		
	TOTAL DISTRIBUTION PLANT	<u>\$93,619.00</u>	\$54,229.93	\$39,389.07
110	TOTAL DEPRECIATION			
				\$210,728.00
	ACQUISITION ADJUSTMENTS			
	GAS PLANT ACQUISITION ADJUSTMENT			
114		\$348,941.00		
	TOTAL ACQUISITION ADJUSTMENTS	<u>\$348,941.00</u>		
	TOTALS	<u>\$712,728.00</u>	<u>\$210,728.00</u>	<u>\$153,059.00</u>

Check figure: Net book value per PSC 2007 Filed Report

\$153,059.00

KENTUCKY FRONTIER GAS LLC
Effects of Dec08 Asset Purchase

2/28/2013

Acct #	2007 Annl Rpt Assets	Effective Depr after Sale	Net Frontier Assets	Notes
BELFRY GAS INC:				
Transmission Plant				
365	Land & Land Rights	4,498.00	4,498.00	
367	Mains		-	
	Total TRANSMISSION Plant	270,168.00	156,498.07	113,669.93 Mains & Meters only
		274,666.00	160,996.07	113,669.93
Distribution Plant				
376	Mains			
	Services			
381	Meters	93,619.00	54,229.93	
383	House Regulators			39,389.07 Mains & Meters only
387	Other Equipment			
	Total DISTRIBUTION Plant	128,603.00	128,603.00	-
		222,222.00	182,832.93	39,389.07
General Plant				
391	Office Furniture & Equipment	26,539.00	26,539.00	
392	Transportation Equipment	80,341.00	80,341.00	office-shop kept by owner
397	Communications Equipment	3,655.00	3,655.00	no vehicles or equipt
	Other Tangible Plant	34,704.00	34,704.00	
	Total GENERAL Plant	145,239.00	145,239.00	-
		145,239.00	145,239.00	
TOTALS				
		642,127.00		153,059.00
	Accumulated Depreciation		489,068.00	
	Remaining Rate Base		<u>153,059.00</u>	

KENTUCKY FRONTIER GAS LLC
Effects of Dec08 Asset Purchase

2/28/2013

Acct #

EAST KENTUCKY UTILITIES INC:

2007 Annl Rpt
Assets

Effective Depr
after Sale

Net Frontier
Assets

Notes

Acct #	Description	2007 Annl Rpt Assets	Effective Depr after Sale	Net Frontier Assets	Notes
301-303	Intangible Plant	3,603.00	3,603.00	-	
	Distribution Plant				
374	Land & Land Rights	10,936.00	10,936.00	-	
376	Mains	993,848.00	839,224.34	-	
378	Msmt & Reg Station Equip	17,643.00	17,643.00	154,623.66	Mains & Meters only
381	Meters	19,484.00	16,452.66	-	
382	Meter Installations	82,848.00	82,848.00	3,031.34	Mains & Meters only
383	House Regulators	45,860.00	45,860.00	-	
384	House Regulator Installations	411.00	411.00	-	
	Total DISTRIBUTION Plant	1,171,030.00	1,013,375.00	157,655.00	
	General Plant				
391	Office Furniture & Equipment	19,424.00	19,424.00	-	
394	Tools, Shop & Garage Equipment	4,025.00	4,025.00	-	office-shop not part of transaction
392	Transportation Equipment	43,134.00	43,134.00	-	
396	Power Operated Equipment	4,551.00	4,551.00	-	
397	Communications Equipment	13,919.00	13,919.00	-	no vehicles or equipt
398	Miscellaneous Equipment	85,053.00	85,053.00	-	
	Total GENERAL Plant	1,259,686.00	1,102,031.00	157,655.00	
	TOTALS		<u>157,655.00</u>		
	Accumulated Depreciation				
	Remaining Rate Base				

**Kentucky Frontier Gas LLC
Depreciation Schedule**

Asset Description	Date	Cost	Life	Method	2012 Amortization	2012 Depreciation
EKU Acquisition	12/1/2008	\$767,480.00	20	S/L	\$38,374.00	
MLG Acquisition	12/1/2008	\$250,866.00	20	S/L	\$12,543.00	
Belfry Acquisition	12/1/2008	\$348,941.00	20	S/L	\$17,447.00	
BTU Acquisition	7/1/2012	\$262,500.00	20	S/L	\$13,125.00	
Belfry Gas Mains	12/1/2008	\$113,670.00	30	S/L		\$3,789.00
Belfry Gas Mains	9/30/2009	\$30,300.00	30	S/L		\$1,010.00
Belfry Gas Mains	12/31/2010	\$16,359.00	30	S/L		\$545.00
Belfry Gas Mains	12/16/2011	\$24,498.00	30	S/L		\$817.00
Belfry Gas Mains	12/31/2012	\$21,690.00	30	S/L		\$723.00
Belfry Construction - Mains	7/31/2009	\$18,538.00	30	S/L		\$618.00
Belfry Construction - Mains	1/10/2010	\$9,524.00	30	S/L		\$317.00
Belfry Construction - Mains	2/28/2010	\$600.00	30	S/L		\$20.00
Belfry Gas Meters	12/1/2008	\$39,389.00	10	S/L		\$3,939.00
Belfry Gas Meters	12/31/2010	\$122.00	10	S/L		\$12.00
Belfry Gas Meters	2/25/2011	\$1,925.00	10	S/L		\$193.00
Belfry Gas Services	12/31/2010	\$271.00	30	S/L		\$9.00
Belfry Gas Services	11/4/2011	\$4,148.00	30	S/L		\$138.00
Belfry Gas Services	12/31/2012	\$3,889.00	30	S/L		\$130.00
BTU Mains	10/19/2012	\$1,608.00	30	S/L		\$54.00
BTU Mains	12/31/2012	\$700.00	30	S/L		\$24.00
BTU Regulators	10/31/2012	\$816.00	10	S/L		\$82.00
BTU Services	11/30/2012	\$5,036.00	30	S/L		\$168.00
BTU Services	12/31/2012	\$7,388.00	30	S/L		\$247.00
EKU Mains	12/1/2008	\$154,624.00	30	S/L		\$5,154.00
EKU Mains	12/31/2010	\$3,108.00	30	S/L		\$104.00
EKU Mains	11/23/2011	\$1,182.00	30	S/L		\$39.00
EKU Meters	12/1/2008	\$3,031.00	10	S/L		\$303.00
EKU Meters	12/31/2010	\$346.00	10	S/L		\$35.00
EKU Meters	12/16/2011	\$338.00	10	S/L		\$34.00
EKU Services	12/31/2010	\$1,370.00	30	S/L		\$46.00
EKU Services	12/30/2011	\$1,716.00	30	S/L		\$57.00
EKU Services	10/31/2012	\$3,756.00	30	S/L		\$125.00
MLG Mains	12/1/2008	\$75,547.00	30	S/L		\$2,368.00
MLG Mains	12/31/2010	\$2,361.00	30	S/L		\$79.00
MLG Mains	11/23/2011	\$12,851.00	30	S/L		\$428.00
MLG Mains	9/30/2012	\$202.00	30	S/L		\$7.00
MLG Meters	12/1/2008	\$8,154.00	10	S/L		\$767.00
MLG Meters	12/31/2010	\$87.00	10	S/L		\$9.00
MLG Services	11/18/2011	\$970.00	30	S/L		\$32.00
MLG Services	11/30/2012	\$2,216.00	30	S/L		\$74.00

**Kentucky Frontier Gas LLC
Depreciation Schedule**

Asset Description	Date	Cost	Life	Method	2012	2012
					Amortization	Depreciation
People's Gas - Mains Added by KFG	12/31/2010	\$895.00	30	S/L		\$30.00
People's Gas - Mains as acq	4/15/2010	\$11,248.00	30	S/L		\$375.00
People's Gas Acquisition - KFG	4/15/2010	\$6,420.00	20	S/L		\$321.00
People's Gas Acquisition - Prior	4/15/2010	\$2,332.00	20	S/L		\$117.00
People's Mains	10/28/2011	\$13,987.00	30	S/L		\$466.00
People's Mains	4/6/2012	\$2,084.00	30	S/L		\$69.00
People's Meters	3/11/2011	\$115.00	10	S/L		\$12.00
People's Services	11/18/2011	\$855.00	30	S/L		\$29.00
People's Services	10/31/2012	\$341.00	30	S/L		\$11.00
2012 Toyota Tundra PU	5/16/2012	\$29,687.00	5	S/L		\$5,937.00
2012 Toyota Tacoma PU	5/27/2012	\$23,655.00	5	S/L		\$4,731.00
2012 Toyota Tacoma PU	8/14/2012	\$26,225.00	5	S/L		\$5,245.00
2005 Toyota Tacoma PU	11/6/2009	\$12,500.00	5	S/L		\$2,500.00
1996 Ford F-150	2/26/2009	\$5,300.00	5	S/L		\$1,060.00
2007 Cat 303.5c excavator	4/14/2011	\$33,781.00	7	S/L		\$4,826.00
Other Transportation - Trailer	6/7/2010	\$1,675.00	5	S/L		\$335.00
Other Transportation - GPS	5/15/2012	\$3,239.00	5	S/L		\$648.00
Office Equipment - File Cabinet	3/1/2010	\$763.00	5	S/L		\$153.00
Folder / Inserter for billing	4/8/2011	\$10,271.00	7	S/L		\$1,467.00
ITRON auto meter reading system	12/31/2012	\$25,202.00	10	S/L		\$2,520.00
Dell PC	8/23/2011	\$399.00	5	S/L		\$80.00
HP Printer	4/2/2012	\$590.00	5	S/L		\$118.00
Tools - Odorator	10/31/2012	\$3,164.00	5	S/L		\$633.00
Total Ky Frontier utilities					\$81,489.00	\$54,179.00

**Kentucky Frontier Gas LLC
Depreciation Schedule**

Asset Description	Date	Cost	Life	Method	2012 Amortization	2012 Depreciation
Wholly-owned subs for GR calcs						
Auxier depreciation						\$35,974.16
Cow Creek - Sigma depreciation*						\$21,042.00
Dema depreciation*						\$1,143.00
SBA Origination Fees	12/30/2008	\$40,391.00	10	S/L	\$4,039.00	
Startup Costs (bank loan orig fees)	3/10/2010	\$299.00	15	S/L	\$20.00	
USDA Origination Fees	4/14/2010	\$17,464.00	15	S/L	\$1,164.00	
					<hr/>	
Depr & Amort for subsidiaries					\$5,223.00	\$58,159.16
Auxier Investment	4/15/2010	\$1,263,911.00	20	S/L	\$63,196.00	
Cow Creek Investment	4/15/2010	\$105,707.00	20	S/L	\$5,285.00	
Dema Investment	4/15/2010	\$0.00				no Adjustmt
					<hr/>	
Acquisition Adjmt Amort for subs					\$68,481.00	
					<hr/>	
					\$155,193.00	\$112,338.16
					<hr/>	
Total Depr + Amort for GR						\$267,531.16
						\$168,988.00
						<hr/>
						<i>difference in Actual vs Rate Filing</i> \$98,543.16

**stated separately, although Cow Creek & Dema were merged into Frontier on 12/31/12*

2. PSC #1 tab 22 – verify Belfry purchase price vs acquisition adjustment

Frontier paid \$502,000 for Belfry. The journal entries mis-attributed a \$149k Belfry payment to Mike Little. See corrected journal attached to response 1.

3. PSC #1 tab 22 – verify purchase price vs acquisition adjustment for East KY

Frontier paid \$920,000 for Floyd County Gas (operated as ECU), including \$700k cash to Floyd County and \$220k attributed to paying off the GOLD loan (shared with Mike Little). Added to the cash cost, Frontier attributed to the purchase cost an unpaid account receivable due from Floyd County for operating the company ca 2007. See corrected journal.

4. Updated 2/1/13 response #12, Auxier acquisition adjustment cited \$1,263,911; explain discrepancy vs PSC Exh B page 3 where AA is \$1,214,616; difference is Bill Branham 5% stock purchase?

In the referenced Exh B pg 3, the Auxier purchase price of \$1,663k was an estimate, since negotiations were not complete. The actual cost was \$1,696,459, including payments to Branham family members for 100% of the stock, and assumption of an existing loan. The Accumulated Depreciation figure was also slightly high, because it incorrectly included 4 months of depreciation before closing in April 2010. The figure from Auxier's 2009 PSC Annual Report should have been used. The corrected figure is shown on the revised Depreciation schedule attached to response 1.

5. PSC #1 tab 22, p. 14 Explain Cow Creek \$530,000 vs \$550,000. Does PSC #1 tab 12 Cow Creek entry include DLR; how has DLR been accounted for/allocated among CC, Sigma, Dema and farm taps?

Exhibit C is a Petition for Transfer of Stock and Pipeline Facilities in Case No. 2010-0076, filed 2/22/10. Paragraphs 3 and 4 describe exactly what happened at closing of the transactions with Interstate Natural Gas in April and May, 2010:

- Frontier paid \$320,000 for the stock of Cow Creek Gas, Inc.
- Cow Creek (under the control of Frontier) paid \$230,000 to DLR Enterprises for 32.6 miles of pipeline, to mostly restore the system in Magoffin County formerly operated as Salyersville Gas then Sigma Gas.
- Dema Gas and the Interstate Farm Taps were thrown into the \$320k Cow Creek purchase for no specific value.
- After all transactions were finalized Frontier allocated the \$550,000 total purchase cost as follows:
 - \$530k Cow Creek Gas, Inc. (original system + Sigma)
 - \$10k Dema Gas, Inc.
 - \$10k Interstate farm taps

The correct basis for Cow Creek is shown on the revised Depreciation schedule.

In a transaction separate from the \$550k utility purchases, the individual partners of Frontier purchased the stock of DLR and paid off the remaining debt. After the Cow Creek pipeline sale, the greatly reduced DLR is an unregulated, intrastate pipeline that gathers wells and supplies gas to Sigma. DLR has about 10 miles of pipeline, mostly in Floyd County. Frontier has no ownership in this DLR remnant. No part of the final DLR purchase transaction is included in the Frontier purchase price of Cow Creek et al.

6. 2/1/13 updated response #12 – first page after depreciation schedule – refer to “minimal” amounts – \$45,000, 18,000, 25,000. Are these really minimal and should they be included in revenue calculation?

See also 10 and Special Charges schedule.

7. Updated # 12 – Revenue Requirements, Test Year calculations, Known & Measurable Changes; provide breakdown of annual amounts for maintenance, operators and customer records:

\$21,822 increase noted as “6 Operator increases in May11+Jul12”:

Frontier provided a detailed spreadsheet of actual Operators wages from 2010 to present. The calculations are visible within cells on the Excel worksheet, but not explained in the DR. The Kn&Ms Chg column is the difference between (Current Full Year) less (2011 Before + 2011 After wage increases). The total of Kn&Ms changes to F1 to F6 (Field employees) is \$15,896; multiply by the Field employee Overtime factor 1.30 and the 1.20 factor for payroll expenses and the 0.88 allocation for non-Farm Tap operations (explained in DR).

\$13,435 increase noted as “Office staff increases in May11+Jul12”: same concept as above, add employees O2+O3 Kn & Ms Chg to get \$10,968; multiply by 1.16 Overtime and 1.20 Payroll and 0.88 non-FT to get this figure.

8. Provide spreadsheet of cost elements for AMR – new meters, replacements, refurbished & TC

The cost estimate for the Meter Upgrade program was very simplistic and doesn't warrant a separate exhibit:

- \$130,000 for 2000 new meters at \$65 each
- \$ 20,000 for 2000 refurbished & TC meters at \$10 average repair

These figures assume 50% retire & replacement of meters, and no labor or overhead cost. Meter records are non-existent, and Frontier expects to find more than half of existing meters are usable for another cycle after testing, so the actual replacement figure might be closer to 35-40%.

The cost estimate for the basic AMR system was simple:

- \$ 26,000 for base AMR system & software interface
- \$ 24,000 for first 400 ERT transmitters at \$60 each
- \$200,000 for next 3330 ERTs at \$60 each
- Frontier has installed about 150 ERTs already

This project should convert the vast majority of meters to AMR. The larger commercials may remain manual reads, since they're easy to read and the financial impact is high. Frontier plans to inspect and verify the index vs AMR readings on every automatic read meters at least once per year.

The Meter + AMR surcharge collected will not be allowed to exceed the actual cost of the program.

9. Update annual MCF sales (minus weather adjustment)

Spreadsheet of MCF history provided.

The estimate of 285,000 MCF for utility sales volume was based on the average adjusted utility sales for Jan10 through Jun12 of about 289k MCF per year.

We believed at the time of filing that 2011 was colder than normal, but it was in fact 1.5% below average for 1990-2010.

Total 2012 utility sales were 268,000 MCF, including 6000 MCF adjustment for an as-yet unsolved billing issue with BTU and Belfry, and estimated volume for Blaine. HDDs for 2012 were about 4% below normal.

The three full years 2010-11-12 were 2.8% above normal HDDs, since 2010 was about 14% higher. Average adjusted utility volume was 289,500 MCF. The going-forward estimate of 285,000 MCF seems to be appropriate, if not slightly high.

Frontier will convert most meters to temperature compensating, or TC indexes with the Meter Upgrade program. Many meters will show a slight annual increase in CCF sales, as cold-weather usage will be more accurately metered, adding +1% for every 5°F the gas temperature is below 60°F. This TC conversion will take 8-10 years, and the effect will likely be undetectable vs normal weather variation.

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
<i>same row format as Crystal Reports</i>			<i>Sales in MCF</i>									
Auxier Road Gas	18,177	16,609	13,545	6,030	4,551	3,622	3,608	3,216	3,734	5,614	9,917	18,293
Belfry Gas												
Belfry	9,885	7,041	4,486	1,557	983	687	542	533	743	2,079	4,010	8,699
Price	194	180	92	37	18	9	9	10	6	30	53	223
Blaine city												
Blaine												
BTU Gas Company												
BTU Gas												
BTU Royalton												
East Kentucky Utilities												
Allen	4,575	4,126	2,306	1,121	522	317	292	303	318	663	1,917	3,873
Dwale	712	657	345	201	84	42	52	38	35	120	325	479
Middle Creek	743	685	354	194	83	36	28	32	38	115	276	708
Minnie	409	412	276	152	81	61	66	63	59	90	147	350
Stone Coal	2,671	2,171	1,468	705	230	133	127	121	140	401	892	1,943
Wayland	4,518	3,756	2,454	1,252	435	323	273	252	288	842	1,705	3,273

Interstate Natural Gas

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
<i>same row format as Crystal Reports</i>			<i>Sales in MCF</i>									
Cow Creek			-	2,360	1,218	657	413	681	492	1,134	3,723	6,412
Dema			-	30	14	6	8	8	5	14	32	54
Interstate FTs			-	390	187	63	101	68	64	142	392	781
Original CC			-	209	86	37	34	41	48	95	257	531
Kinzer Farm Taps (Paying)												
AOG	3,587	4,000	2,461	1,169	511	266	226	191	198	440	1,406	3,362
Kinzer	3,381	3,817	3,534	1,359	632	350	302	287	426	1,061	2,273	6,159
KLC Entrp	1,100	1,023	902	457	491	356	179	141	293	288	541	1,082
KLC J.H.	38	38	34	13	9	6	5	6	6	11	21	54
KLC-JE			121	116	102	168	41			21	85	94
Mike Little Gas Co.												
Abner.Mtn	1,542	1,583	870	382	201	92	83	61	92	326	766	1,572
Goble Rbts	1,295	1,197	678	369	129	84	73	78	90	331	620	1,208
Langley	604	646	338	150	63	27	21	24	33	103	178	687
Osborne	1,219	1,498	756	310	177	96	85	81	92	212	401	1,536
People's Gas												
Phelps System		-	1,145	626	214	145	130	154	169	249	602	1,854

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
<i>same row format as Crystal Reports</i>			<i>Sales in MCF</i>									
TOTAL MCF Sales	54,650	49,439	36,165	19,189	11,021	7,583	6,698	6,389	7,369	14,381	30,539	63,227
FT mcf	8,106	8,878	7,052	3,504	1,932	1,209	854	693	987	1,963	4,718	11,532
Utility MCF actual	46,544	40,561	29,113	15,685	9,089	6,374	5,844	5,696	6,382	12,418	25,821	51,695
UTILS Last 12 mos adjustments												255,222
<i>Adjust 12 mos</i>	<i>17,500</i>	<i>13,700</i>	<i>8,125</i>	<i>1,204</i>	<i>493</i>	<i>224</i>	<i>300</i>	<i>400</i>	<i>401</i>	<i>1,721</i>	<i>2,905</i>	<i>5,551</i>
												307,746
Large Commls incl^	10,731	9,447	8,389	4,622	4,059	3,285	3,307	2,932	3,425	4,492	6,342	10,430
Peak Month / Yr	<i>15.0%</i>											<i>14.6%</i>
Resl-Comml	53,313	44,814	28,849	12,267	5,523	3,313	2,837	3,164	3,358	9,647	22,384	46,816
Peak Month / Yr	<i>22.6%</i>											<i>19.8%</i>

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
<i>same row format as Cryst</i>												
Auxier Road Gas	17,383	13,985	11,024	7,272	5,807	4,610	3,738	4,252	4,425	7,018	9,987	12,926
Belfry Gas												
Belfry	8,708	5,332	4,624	1,429	1,222	640	711	699	829	2,453	4,142	5,323
Price	204	129	101	38	21	12	6	5	10	44	96	129
Blaine city												
Blaine												
BTU Gas Company												
BTU Gas							-	581	401	1,721	2,905	5,551
BTU Royaltom												
East Kentucky Utilitie												
Allen	4,805	2,774	2,152	928	668	348	308	315	368	934	1,875	2,675
Dwale	782	473	337	172	98	37	32	33	35	146	297	423
Middle Creek	717	451	300	200	95	32	32	29	40	74	308	287
Minnie	449	321	203	164	101	65	53	70	61	83	166	252
Stone Coal	2,791	1,713	975	775	353	134	109	121	138	405	1,001	1,507
Wayland	4,766	2,764	1,934	1,287	678	310	335	264	312	808	1,757	2,400

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
<i>same row format as Cryst</i>												
Cow Creek	10,527	7,141	4,254	3,278	1,438	755	491	481	684	1,418	4,167	5,491
Dema	69	77	39	19	15	7	4	8	8	14	32	45
Interstate FTs	1,664	932	301	359	176	214	71	58	63	151	374	614
Original CC	579	571	399	181	96	35	28	30	51	137	318	369
Kinzer Farm Taps (Pa												
AOG	3,779	2,093	2,936	1,286	522	484	267	209	300	539	1,759	2,420
Kinzer	4,216	2,275	2,928	1,366	562	1,029	404	240	529	1,333	2,054	4,587
KLC Entrp	1,281	1,007	589	759	362	243	182	24	270	287	268	848
KLC J.H.	27	35	26	29	3	16	5	-	5	11	16	39
KLC-JE	52	38	26	19	32	60	11	25	67	77	68	30
Mike Little Gas Co.												
Abner.Mtn	1,617	957	809	269	188	132	58	64	100	401	595	1,270
Goble Rbts	1,448	824	578	344	228	90	83	90	129	267	468	629
Langley	695	374	273	135	69	23	19	25	46	158	300	419
Osborne	1,430	847	582	245	145	110	84	77	103	364	586	1,069
People's Gas												
Phelps System	1,510	1,529	1,177	782	506	356	129	108	245	350	852	1,222

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
<i>same row format as Cryst</i>												
TOTAL MCF Sales	69,499	46,642	36,567	21,336	13,385	9,742	7,160	7,808	9,219	19,193	34,391	50,525
FT mcf	11,019	6,380	6,806	3,818	1,657	2,046	940	556	1,234	2,398	4,539	8,538
Utility MCF actual	58,480	40,262	29,761	17,518	11,728	7,696	6,220	7,252	7,985	16,795	29,852	41,987
UTILS Last 12 mos adjustments						273,301			276,836			275,536
Adjust 12 mos	<i>6,000</i>	<i>5,500</i>	<i>3,625</i>	<i>1,204</i>	<i>493</i>	<i>224</i>	<i>300</i>					
						301,625			304,359			292,882
Large Commls incl^	10,030	8,317	7,143	5,462	5,100	3,805	3,303	3,711	3,943	5,481	7,142	8,132
Peak Month / Yr	<i>14.0%</i>											<i>11.4%</i>
Resl-Comml	54,450	37,445	26,243	13,260	7,121	4,115	3,217	3,541	4,042	11,314	22,710	33,855
Peak Month / Yr	<i>24.6%</i>											<i>15.3%</i>

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
<i>same row format as Cryst</i>												
Auxier Road Gas	16,079	13,811	8,306	7,214	4,735	3,919	3,823	3,562	3,870	6,335	11,986	11,651
Belfry Gas												
Belfry	4,592	6,157	1,593	1,907	952	2,226	(1,294)	840	637	2,415	4,683	6,119
Price	134	79	114	43	10	52	(23)	4	9	43	118	107
Blaine city												
Blaine							36	35	54	171	446	431
BTU Gas Company												
BTU Gas	3,415	3,760	3,625	1,204	493	176	105	123	55	1,153	3,183	3,764
BTU Royalton		1,603				48	52	59	8	518	1,076	1,025
East Kentucky Utilitie												
Allen	3,145	2,298	1,916	878	367	261	197	310	338	679	2,083	2,116
Dwale	451	202	435	145	49	36	34	29	32	103	387	256
Middle Creek	641	463	293	150	37	24	26	27	25	121	373	290
Minnie	342	154	317	112	53	48	53	45	46	74	146	190
Stone Coal	1,684	813	1,738	574	200	113	134	136	183	400	1,390	1,273
Wayland	3,014	1,403	2,798	1,012	410	310	289	259	324	762	2,552	2,099

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
<i>same row format as Cryst</i>												
Cow Creek	8,240	7,815	2,906	2,538	753	632	615	424	540	1,866	5,987	4,713
Dema	57	25	44	24	11	2	-	11	6	16	40	36
Interstate FTs	624	1,252	354	217	142	64	49	80	69	99	541	513
Original CC	422	203	454	161	60	29	-	64	55	172	350	337
Kinzer Farm Taps (Pa												
AOG	2,697	2,247	1,950	845	565	268	301	214	222	667	1,753	1,916
Kinzer	3,302	3,099	3,259	1,284	2,211	606	393	467	667	1,643	2,961	4,761
KLC Entrp	813	755	577	290	467	384	190	157	280	338	456	651
KLC J.H.	39	41	38	18	17	11	12	17	1	11	14	42
KLC-JE	46	34	20	15	37	30	18	37	65	40	45	40
Mike Little Gas Co.												
Abner.Mtn	1,046	1,089	465	394	124	106	41	70	102	408	1,040	1,028
Goble Rbts	714	696	248	248	114	74	82	87	99	281	603	802
Langley	458	228	382	163	46	24	30	17	40	186	349	401
Osborne	908	723	727	274	107	100	63	65	90	324	707	1,008
People's Gas												
Phelps System	1,264	1,054	577	720	(4)	309	(15)	147	272	520	917	865

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
<i>same row format as Cryst</i>												
TOTAL MCF Sales	54,127	50,004	33,136	20,430	11,956	9,852	5,211	7,286	8,089	19,345	44,186	46,434
												310,056
FT mcf	7,521	7,428	6,198	2,669	3,439	1,363	963	972	1,304	2,798	5,770	7,923
Utility MCF actual	46,606	42,576	26,938	17,761	8,517	8,489	4,248	6,314	6,785	16,547	38,416	38,511
UTILS Last 12 mos adjustments	4,700	600	263,153	200	100	260,978			256,868			261,708
<i>Adjust 12 mos</i>			400			60						
			271,074			267,338			262,928			267,768
Large Commls incl^ Peak Month / Yr	9,781 13.7%	8,518	5,822	5,678	4,117	3,481						
Resl-Comml Peak Month / Yr	41,525 18.8%	34,658	21,516	12,283	4,500	5,068	4,248	6,314	6,785	16,547	38,416	38,511

<i>Summary</i>	<i>12mos to</i>	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>6/30/2012</u>	<u>12/31/2012</u>
<i>(adjusted)</i>	<i>Utilities</i>	307,746	292,882	267,338	267,768
	<i>Large 3</i>	71,461	71,569	69,109	37,397
	<i>FTs</i>	51,428	49,931	46,823	48,348
	<i>Total</i>	359,174	342,813	314,161	316,116
	<i>HDDs</i>	4603	3976	3522	3870
	<i>Ave 1990-2010</i>		4036		

10. Provide annual revenue from all special charges:

Turn on fee, reconnection, relocate meter, transfer service, returned check, late payment, service trip, special meter reading, meter test.

Special Charges schedule.

The total for all special charges (except Late Payment fees) totaled aprx \$8-9,000 in 2011 and 2012. These are considered to be minimal, far less than the weather-related uncertainty in annual sales volume and MCF revenue. In addition, nearly every instance of these charges would require action by field or office employees. Since most hourly employees are already working overtime, most extra charges also incur extra labor as an offset against the revenue.

The Late Payment penalty is a more substantial income item. Frontier reported \$42,500 in 2011 penalties, including KFG-Auxier-CowCr. In 2012, late charges were aprx \$32,000 for all companies. Frontier estimates \$30k going forward.

This Late Payment revenue was not included in the as-filed revenue requirement, but is substantially offset by Bad Debts. Frontier discovered after filing the rate case that Bad Debts expense was never booked in 2009-12. Some accounts were written off in 2011 but did not make it to Accounting. Bad Debts were very high in 2011-12 from doubtful accounts carried along in 4 years of operations, and even a few accounts receivable that came with acquisitions in 2008 and 2010. BTU did not carry any A/R since there were no records, but the expectation of Free Gas resulted in customers with newly-installed meters that refused to pay.

Frontier estimates Bad Debts going-forward to be about \$35,000 per year, which offsets the \$30,000 in Late Payment fees.

KENTUCKY FRONTIER GAS, LLC
Special Charges

Year	2011	2012	Forward	
Connect Fee	\$ 1,725	\$ 2,835	\$ 2,500	at application for new service
Reconnect Fee	\$ 4,145	\$ 5,410	\$ 5,000	within 12 months of disconnect for seasonal or non-pay
Return Check Fee	\$ 1,085	\$ 1,015	\$ 1,000	
Service Charge	\$ 910	\$ 285	\$ 500	all "other" requests; move meter, remove riser, etc.
Collection Fee	\$ 360	\$ 30	\$ 200	go to premises to collect an overdue bill vs disconnect
Total	<u>\$ 8,225</u>	<u>\$ 9,575</u>	<u>\$ 9,200</u>	
Late Payment Penalty	\$ 42,500	\$ 32,180	\$ 30,000	if Amount Due is not paid by the Due Date
Bad Debts Expense	\$ (66,804)	\$ (65,069)	\$ (35,000)	expect reduced write-offs for BTU, better collections all over
Net Revenue, Customer-related	<u>\$ (16,079)</u>	<u>\$ (23,314)</u>	<u>\$ 4,200</u>	

15. Cumulative effect of accounting/journal updates

See attached.

Frontier has never been through a General Rate case before, and that lack of experience resulted in several large errors. Late Payment penalties were not added to the revenue requirement, but Bad Debts and large components of Depreciation & Amortization were not added to expenses.

See the revised Revenue Requirement schedule. If all of these revisions are accounted, the grossed-up Rev Reqmt increases by about \$107k or 7%.

The resulting recalculated rates are shown on the Cost of Service schedule. Rates would be about \$0.39 and \$0.33 per MCF respectively for Small and Large service, or about 3.3% higher than filed.

11. Provide status of customer out-reach program.

Witness: Shute

Response: The company is preparing information that will be mailed to all customers either as a bill insert or as a separate mailing. The information will explain the merger of the existing companies, the name change to KFG and the new rates, as well as information on emergency contact telephone numbers, "Before U Dig" information, gas safety tips and other customer helpful information such as how to read the bill, etc. Attached is a draft of the type of information that will be included in the notice.



To All Customers of

Auxier Road Gas	Cow Creek Gas	Peoples Gas
Blaine Town Gas	Dema Gas	(former) Sigma Gas
Belfry Gas	East Kentucky Utilities	
BTU Gas	Mike Little Gas	

Kentucky Frontier Gas, LLC has received permission from the Kentucky Public Service Commission to consolidate all of its tiny gas utility systems into one entity.

Frontier had already consolidated its operations to one office, along with pipeline safety and training programs, 24/7 call center and other functions. But until this PSC action, we have been billing 10 different rates, tracking 10 different gas costs, 10 sets of books, etc. This will create just one rate structure, uniform gas costs and better PSC oversight for all customers; this will be much more efficient.

This is a big change for us, and for You.

The rates will be structured differently. Frontier will change from the "First MCF, Next MCF" rates traditionally used by small Kentucky gas systems. Instead there is a \$10.00 Monthly Charge for most customers, and all gas will be at the same rate per MCF. The monthly charge is similar to your phone and cable TV bills, and is used by most Kentucky gas utilities.

Some of these companies hadn't had a Rate change for 20 or 30 years. Customers of those utilities will be most affected, since the old rates didn't reflect the actual cost of operating the system and complying with all PSC and DOT regulations. Some rates will go down. The average customer will see an increase of about \$7.32 per month.

There are 2 other new programs included in this consolidation. A Pipeline Replacement Program will fund projects to replace pipelines that are past their useful lives. Each system has a few projects, and this will take about 10 years. The Meter Upgrade project will replace or test & refurbish nearly every meter in the 10 systems. Meter testing is a PSC requirement, so that your meter is within 2% accuracy, but these tiny companies had fallen far behind. Frontier will also add an Automated Meter Reading system, with a radio transmitter to each meter over the next several years. These 2 programs are funded by a surcharge of \$2.25 per month to each bill, until the projects are finished.

Kentucky Frontier Gas, LLC

PO Box 408 * 2963 Kentucky Rte 321 N * Prestonsburg KY 41653 * 606-886-2431 * www.kyfrontiergas.com



Frontier offers several methods of payment, including Budget Billing and soon, automatic withdrawal from your bank. We also support the LIEAP program to help low income customers make their payments.

Please call us at 886-2431 or see our website www.kyfrontiergas.com for more information or assistance.

Thanks for your business,

Steven Shute,
Member-Manager

Bob Oxford
Member-Manager

Visit our website www.kyfrontiergas.com
for information on

- How to Read Your Bill.
- Natural Gas cost vs other fuels (wood, electric heat, propane).
- What to do if you Smell Gas.

...and other helpful information.

Frontier 24/7 Emergency Center

606-886-2431

...but if you hear or see a blowing gas leak



...then Frontier.

For ANY excavation project call



Know what's below.
Call before you dig.

Kentucky Frontier Gas, LLC

PQ Box 408 * 2963 Kentucky Rte 321 N * Prestonsburg KY 41653 * 606-886-2431 * www.kyfrontiergas.com

12. Provide notices of hearing for February 14, 2013.

Witness: Shute

Response: Attached

APPALACHIAN
NEWS-EXPRESS

THE CONSCIENCE OF EASTERN KENTUCKY

P.O. Box 802, 129 Caroline Ave., Pikeville, KY 41501 PHONE:(606)437-4054 FAX:(606)437-4246

NEWSPAPER AFFIDAVIT

APPLICATION NO: Case no. 2011-00443

I, **DEBORAH CHAMBERS, Legals Manager** of the **Appalachian News-Express** newspaper, published at Pikeville, Kentucky and having the largest general circulation of any newspaper in Pike County, Kentucky do hereby certify that from my own knowledge and a check of the files of this newspaper that the advertisement of Public notice for Kentucky Public Service Commission was inserted in the **Appalachian News-Express** on the following dates:

DATE 1/26 PAGE NO. 5C

DATE _____ PAGE NO. _____

DATE _____ PAGE NO. _____

DATE _____ PAGE NO. _____

SIGNATURE Deborah Chambers

Subscribed and sworn to before me by Deborah Chambers

This 28th day of January, 2013.

NOTARY PUBLIC Lisa R. Max

My commission expires: August 19, 2016

SEAL

PUBLIC NOTICE

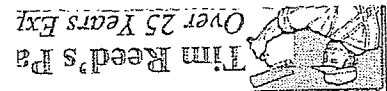
The Kentucky Public Service Commission will hold a public hearing on February 24, 2013, 10:00 a.m. e.s.t. in hearing room 1 at its office, 211 Sower Blvd., Frankfort, KY for the purpose of receiving evidence, cross examination of witnesses and other matters related to Case No. 2011-00243, Application of Kentucky Frontier Gas, LLC For Approval of Consolidation of And Adjustment of Rates, Approval of AMR Equipment and A Certificate Of Convenience And Necessity For Installation Of AMR, Pipeline Replacement Program, Revision of Non-Recurring Fees and Revision of Tariffs.

Applications may be obtained at the Pike County Health Department, 119 River Drive, Pikeville, KY 41501, or <http://chfs.ky.gov/dph/lhdapp.htm>

Completed application and transcript must be returned by close of business Wednesday, February 6, 2013, to Pike County Health Department. Resume will not substitute for completed application.

Equal Opportunity Employer

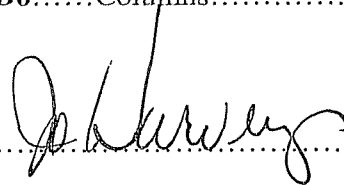
Applicants and employees in this classification may be required to submit to a drug screening test and background check.




NEWSPAPER AFFIDAVIT

I, Jo Harvey, Secretary of *The Salyersville Independent*, published at Salyersville, Kentucky, and having the largest general circulation of any newspaper in Magoffin County, Kentucky, do hereby certify that from my own knowledge and a check of the files of this newspaper that the advertisement of **Public Notice** ran in *The Salyersville Independent* on the following dates:

Date..... **January 24, 2013**.....Page **B6**.....Columns.....**7-9**

Signature..........

Subscribed and sworn to before me by.....

this ^{24th}.....day of *January*.....2013..

Notary Public..........

My Commission Expires.....*1-17-16*.....

CLASSIFIED ADS

Salyersville Independent does not knowingly accept false or misleading advertising. Ads that request or require advanced payment of services or products should be scrutinized carefully. Please check your ad for accuracy the first time it appears. The Salyersville Independent is only responsible for one incorrect insertion.

PLACE AN AD

For ad rates call 606-349-2915

DEADLINE

Friday 3 p.m.

OFFICE HOURS

Monday - Friday 8:30 a.m. - 5 p.m.

45% of Kentucky job seekers look in the newspaper for job openings.

40% look on the Internet.

So if you're looking for a job... or you've got a job opening to tell people about... doesn't it make sense for both of you to meet

PUBLIC NOTICE

The Kentucky Public Service Commission will hold a public hearing on February 14, 2013, 10:00 a.m. e.s.t. in hearing room 1 at its office 211 Sower Blvd, Frankfort, KY for the purpose of receiving evidence, cross examination of witnesses and other matters related to Case No. 2011-00443, Application of Kentucky Frontier Gas, LLC For Approval of Consolidation of And Adjustment of Rates, Approval of AMR Equipment and A Certificate Of Convenience And Necessity For Installation Of AMR, Pipeline Replacement Program, Revision of Non-Recurring Fees and Revision of Tariffs.

Steve, 743-3600.

INSIDE WATER BOILER UNACES — Call 859-771-1000 or 606-668-7151.

MOD FURNITURE RESTORATION — Turn your old furniture into family heirlooms. 738-4809.

MOBILE HOME SALE — New program available! Your or family land \$zero down and key housing available with improvement packages. Call 866-597-2083.

MOBILE HOMES — Clayton Grayson will double tax return to help you purchase your new home. Call today for details. Some restrictions may apply. CALL (606) 474-2083.

CORN FOR SALE — Call 5492.

RENT — 2- and 3-bedroom trailers in Southfork Trailer Park. 725-4723 for information.

WANTED — Want to buy stand-timber. Will pay top dollar. firewood for sale. Call Brent

planting, between March 1 and May 31, with enclosed planting instructions. The 6- to 12-inch trees are guaranteed to grow, or they will be replaced free of charge.

To become a member of the Foundation and receive the free trees, send a \$10 contribution to Ten Free Colorado Blue Spruce Trees, Arbor Day Foundation, 100 Arbor Avenue, Nebraska City, NE 68410, by February 28, 2013, or visit arborday.org/february.

519 Gun & Pawn

WE BUY GOLD

OPEN 6 DAYS A WEEK
M-F 9-5 Sat. 9-2

CASH CASH CASH

Instant CASH LOANS • Gold, Silver, Platinum, Jewelry or Coins, TV's, Guns, Knives, Guitars and other items.

CASKEY'S PAWN SHOP

sets forth the reasons why such Statement is not required. This Environmental Review Record is on file at the above address and is available for public examination and copying, upon request, at the Morgan County Judge-Executive's Office, located at 450 Prestonsburg Street, West Liberty, KY 41472 on Mondays, Tuesdays, Thursdays and Fridays between the hours of 7:30 a.m. and 4:00 p.m. and on Wednesdays between the hours of 7:30 a.m. and 1:30 p.m.

No further environmental review of such project is proposed to be conducted prior to the request for release of federal funds.

All interested agencies, groups, and persons disagreeing with this decision are invited to submit written comments for consideration by the Morgan County Fiscal Court to the office of the Judge-Executive. Such written comments should be received at the Morgan County Judge-Executives Office, 450 Prestonsburg Street, West Liberty, KY 41472 on or before February 16, 2013. All such comments so received will be considered and the Morgan County Fiscal Court will not request the release of Federal funds or take any administrative action on the within project prior to the date specified on the proceeding sentence.

The Morgan County Fiscal

(Pub. Jan. 24, 31, Feb. 7)

PUBLIC NOTICE

The Kentucky Public Service Commission will hold a public hearing on February 14, 2013, 10:00 a.m. e.s.t. in hearing room 1 at its office 211 Sower Blvd, Frankfort, KY for the purpose of receiving evidence, cross examination of witnesses and other matters related to Case No. 2011-00443, Application of Kentucky Frontier Gas, LLC for approval of Consolidation of And Adjustment of Rates, Approval of AMR Equipment and A Certificate of Convenience And Necessity For Installation of AMR, Pipeline Replacement Program, Revision of Non-Recurring Fees and Revision of Tariffs.

C-1-31-1t

NOTICE OF BOND RELEASE

In accordance with KRS 350.093, notice is hereby given that Mine Rite Coal Co., Inc., 190 Ky. Route 689 East, Flat Gap, KY 41219 has applied for a Phase I, II & III Bond Release on permit #888-0079 increments 1, 2, 9, 13, 15 and 17 which was last issued on 2-07-2012. The application covers an area of approximately 805.49 acres located approximately 0.8 miles north of Relief Johnson County.

AVAILABLE

New model especially for mobile homes and small houses.

Starting Price

\$3,450

(Twenty-year warranty)

WE INSTALL!

Roy Lumpkins (859) 771-1182

C-1-31-2T

Farmers Home Mutual Insurance Association Of Fleming Co.

Fire & Wind Coverage
Liability For Home & Farm
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NEW REDUCED RATE ON NEWSINGLE AND DOUBLEWIDE TRAILERS


Call for a quote
Gordon Bowling

WILLIAMS & SON EXCAVATING

Dozer Or Excavating
Work Also Gravel Or Dirt Hauling

Contact:
PAUL OR DANIEL WILLIAMS AT:
(606) 522-3055

RATES
 20 words or less
 \$8.00 a week
 2-bedroom apartment
 for rent at Jeremiah.
 \$400/month, first and
 last month's rent, \$150
 security up front. Num-
 ber to call: 606-637-
 3997. (1-23-ufnb)

We Accept:

 - zone 3. \$59,900.
 Delivered and set up.
 Free A/C and skirting.
 dreamhomeshazard.
 com. (606) 487-0323.
 (1-16-4b)

Black Mountain Properties
 Now Offering Property Maintenance
 cleanups, organizing, repairs,
 showings; move in/out,
 construction repairs.
 Back ground, reference checks,
 accounts payables, receivables.
 blackminpropapts@gmail.com
 606-634-5766
 A Handy Randy / team recovery network

Mountain Breeze Apartments
 Is now accepting applications
 1, 2 & 3 bedroom apartments
 We will not tolerate drugs
 For more information call
832-4434
 Monday - Friday
 7:30-4:30



Mountain Pride Apartments
 Is Now Accepting Applications

Classic Notations

FO
 Pursuant to KRS 424.340,
 notice is hereby given
 that Elaina Thomas was,
 on the 23rd day of Janu-
 ary, 2013, appointed Ex-
 ecutrix of the Estate of
 Larry Wayne Thomas,
 deceased, late of this
 county, and all persons
 having claims against said
 Estate shall present same,
 verified according to law,
 to said Executrix, at her
 present address, 87 Sea-
 board Dr., Whitesburg,
 KY 41858, not later than
 the 23rd day of July, 2013.
 Margaret S. Nichols, Clerk
 Letcher Circuit/District
 Court
 By: Sarah Miller, D.C.
 (1-30-1p)

2005 H
 NOTICE
 Commonwealth of
 Kentucky
 Letcher District Court
 Case No. 13-P-009
 For m
 of
 IN ADAMS
 rases Branch
 er, KY 41832

Fultz S
 Will B
AU
On
At The
Maykir
 Pursuant to KRS 424.340,
 notice is hereby given that
 na Adams was, on
 6th day of January,
 appointed Admin-
 rix of the Estate of
 Adams, deceased,
 of this county, and
 rsons having claims
 st said Estate shall
 ent same, verified
 ding to law, to said
 nistratrix, at her pres-
 address, 271 City of annual

Cumberland
 Pursuant to KRS 424.340,
 notice is hereby given
 that Elaina Thomas was,
 on the 23rd day of Janu-
 ary, 2013, appointed Ex-
 ecutrix of the Estate of
 Larry Wayne Thomas,
 deceased, late of this
 county, and all persons
 having claims against said
 Estate shall present same,
 verified according to law,
 to said Executrix, at her
 present address, 87 Sea-
 board Dr., Whitesburg,
 KY 41858, not later than
 the 23rd day of July, 2013.
 Margaret S. Nichols, Clerk
 Letcher Circuit/District
 Court
 By: Sarah Miller, D.C.
 (1-30-1p)

NOTICE
 Commonwealth of
 Kentucky
 Letcher District Court
 Case No. 13-P-013
 In the
 matter of
 the estate of
VAN BLAIR
 123 Black Bottom Rd.
 Jeremiah, KY 41826
 deceased
NOTICE
 Pursuant to KRS 424.340,
 notice is hereby given that
 Elivenia Blair was, on the
 2rd day of January, 2013,
 appointed Executrix of the
 Estate of Van Blair, de-
 ceased, late of this county,
 and all persons having
 claims against said Estate
 shall present same, veri-

NOTICE
 Commonwealth of
 Kentucky
 Letcher District Court
 Case No. 13-P-013
 In the
 matter of
 the estate of
VAN BLAIR
 123 Black Bottom Rd.
 Jeremiah, KY 41826
 deceased
NOTICE
 Pursuant to KRS 424.340,
 notice is hereby given that
 Elivenia Blair was, on the
 2rd day of January, 2013,
 appointed Executrix of the
 Estate of Van Blair, de-
 ceased, late of this county,
 and all persons having
 claims against said Estate
 shall present same, veri-

NOTICE
 Commonwealth of
 Kentucky
 Letcher District Court
 Case No. 13-P-013
 In the
 matter of
 the estate of
VAN BLAIR
 123 Black Bottom Rd.
 Jeremiah, KY 41826
 deceased
NOTICE
 Pursuant to KRS 424.340,
 notice is hereby given that
 Elivenia Blair was, on the
 2rd day of January, 2013,
 appointed Executrix of the
 Estate of Van Blair, de-
 ceased, late of this county,
 and all persons having
 claims against said Estate
 shall present same, veri-

Proposal for Aging Ser-
vices." The Kentucky River
Area Agency on Aging
reserves the right to ac-
cept or reject any or all
proposals.
 (1-30-2b)

PUBLIC NOTICE
 The Kentucky Public Ser-
 vice Commission will hold
 a public hearing on Febru-
 ary 14, 2013, 10:00 a.m.,
 e.s.t. in hearing room 1
 at its office, 211 Sower
 Blvd., Frankfort, KY for
 the purpose of receiving
 evidence, cross exami-
 nation of witnesses and
 other matters related to
 Case No. 2011-00443,
 Application of Kentucky
 Frontier Gas, LLC For
 Approval of Consolida-
 tion of And Adjustment of
 Rates, Approval of AMR
 Equipment and a Certifi-
 cate Of Convenience and
 Necessity for Installation
 of AMR, Pipeline Replace-
 ment Program, Revision of
 Non-Recurring Fees and
 Revision of Tarrifs.
 (1-30-1b)

NOTICE
 To: Unknown Spouse of
 Lisa King
 This is to inform you that
 an action has been filed
 against you in Letcher
 Circuit Court Civil Action
 No. 2013-CI-00023. It was
 filed on January 17, 2013.
 I have been appointed to

AFFIDAVIT OF PUBLICATION

I, Roger Smith, Publisher of The Mountain Citizen, a newspaper published in Inez, Kentucky, and having the largest circulation of any newspaper in Martin County, Kentucky, do hereby certify, from my own knowledge and a check of the files of this newspaper, that the advertisement of PUBLIC NOTICE for KENTUCKY PUBLIC SERVICE COMMISSION was inserted in The Mountain Citizen on the following dates:

DATE: 01-30-13 PAGE NO: 4B COLUMN NO: 2
DATE: _____ PAGE NO: _____ COLUMN NO: _____
DATE: _____ PAGE NO: _____ COLUMN NO: _____
DATE: _____ PAGE NO: _____ COLUMN NO: _____
DATE: _____ PAGE NO: _____ COLUMN NO: _____
DATE: _____ PAGE NO: _____ COLUMN NO: _____

Roger Smith
ROGER SMITH, PUBLISHER

STATE OF KENTUCKY
COUNTY OF MARTIN

SUBSCRIBED, SWORN TO and ACKNOWLEDGED before me by ROGER SMITH,
Publisher, this 30TH day of JANUARY, 2013.

Sandra Young
NOTARY PUBLIC

My commission expires: APRIL 15, 2016. ID #: 464015.

LEGAL

NOTICE

highest and best bidder on Tuesday, February 12, 2013, at 10:00 o'clock a.m., upon the terms set forth following the description, the following described properties, to wit:

That certain tract or parcel of land lying on the Middlefork Creek, a tributary of Rockcastle Creek in Martin County, Kentucky and more particularly described as follows:

BEGINNING at a set stone on a division fence at the creek thence a straight line up the hill between the home of Nathan Cline and Marvin Cline to a rock marked X on the point thence with the point to G.A. Cline's line; thence with G.A. Cline's line to Samuel Davis line; thence with Samuel Davis line down the hill to the creek; thence to the center of the creek; thence with the meanders of the creek down to opposite the beginning thence to the beginning, so as to

PUBLIC NOTICE

The Kentucky Public Service Commission will hold a public hearing on February 14, 2013, 10:00 a.m. e.s.t. in hearing room 1 at its office 211 Sower Blvd., Frankfort, KY for the purpose of receiving evidence, cross examination of witnesses and other matters related to Case No. 2011-00443, Application of Kentucky Frontier Gas, LLC For Approval of Consolidation of And Adjustment of Rates, Approval of AMR Equipment and A Certificate of Convenience And Necessity For Installation Of AMR, Pipeline Replacement Program, Revision of Non-Recurring Fees and Revision of Tariffs.
5b

PUBLIC NOTICE

The following cases will come

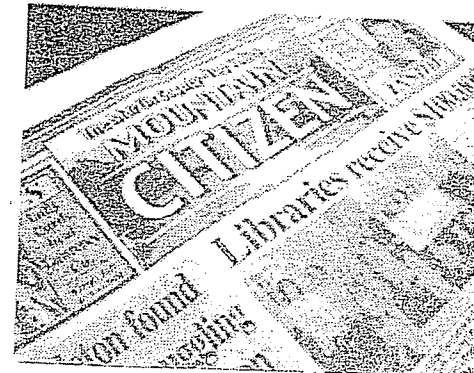
Section of the KDOW. This general permit will require you to create an implement an erosion control plan for the project.

OWNER: Roger and Gina Patrick
MAILING ADDRESS: P.O. Box 1651, Inez, KY 41224
TELEPHONE# 606-298-0625
E-MAIL: Patr728@yaHoo.com

DESCRIPTION OF CONSTRUCTION: The water has washed out the bank from our property and is washing our bank out. It has already washed out over 10 foot out and 48 foot long. Now it has started to wash out tree stump and we had to remove the pool and deck. We would like to replace the bank that has washed out. We will put rock on the bank and dirt on top. All we want to do is replace what was washed out.

COUNTY: Martin NEAREST COMMUNITY: Tomahawk
STREAM NAME: Rockhouse
WATERSHED SIZE: 1.00

If it's not in the newspaper, how will you know?



Zoning changes in y neighborhood. A propos increase your property ta Information on how pub officials are spending yo tax dollars. These are jus few of the topics — topi that affect your family...

The Licking Valley Courier
West Liberty, Ky.
Telephone (606) 743-3551

The Wolfe County News
Campton, Ky.
Telephone (606) 688-3595

The Elliott County News
Sandy Hook, Ky.
Telephone (606) 738-5574

THE COURIER PUBLISHING CO.

EARL W. KINNER, PUBLISHER AND MANAGER
WEST LIBERTY, KY.

Affidavit

I, Earl Kinner, Editor of The Licking Valley Courier, newspaper published in West Liberty, Kentucky, and having the largest general circulation of any newspaper in Morgan County, Kentucky, do hereby certify that from my own knowledge and a check of the files of this newspaper that the advertisement of

Public Hearing / Case No. 2011-00443

was inserted in The Licking Valley Courier

on Thursday, Jan. 31, 2013

Earl W Kinner

Subscribed and sworn to before me, a Notary Public, by Earl Kinner this 4th day of

February, 2013.

Gregory Neil Kinner
Notary Public

November 12, 2016

My Commission Expires

PUBLIC NOTICE

The Kentucky Public Service Commission will hold a public hearing on February 14, 2013, 10:00 a.m. e.s.t. in hearing room 1 at its office 211 Sower Blvd, Frankfort, KY for the purpose of receiving evidence, cross examination of witnesses and other matters related to Case No. 2011-00443, Application of Kentucky Frontier Gas, LLC for approval of Consolidation of And Adjustment of Rates, Approval of AMR Equipment and A Certificate of Convenience And Necessity For Installation of AMR, Pipeline Replacement Program, Revision of Non-Recurring Fees and Revision of Tariffs.

C-1-31-1t

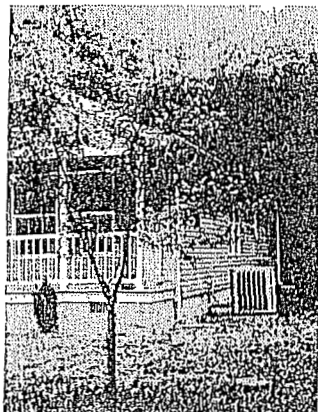
NOTICE OF BOND RELEASE

In accordance with KRS 350.093, notice is hereby given that Mine Rite Coal Co., Inc., 190 Ky. Route 689 East, Flat Gap, KY 41219 has applied for a Phase I, II & III Bond Release on permit #888-0079 increments 1, 2, 9, 13, 15 and 17 which was last issued on 2-07-2012. The application covers an area of approximately 805.49 acres located approximately 0.8 miles north of Relief Johnson County.

The permit area is approximately 0.85 miles northwest from the junction of KY 172 and the Fyffe Branch Road, and is located on both sides of the upper reach of Fyffe Branch.

The Bonds now in effect for the increments 1-\$10,000.00, 2-\$4,800.00, 9-\$23,000.00, 13-\$70,100.00, 15-\$5,700.00 and

**BELIEVING
IT SEE**



umbling creek - with 4 acres living space, 4 bedrooms, with rooms, central air and heat, n, county water available. 4 Route 205. 145 Ottis Peyton 0. Call 606-422-9136.

C-12-13-1T

New model especially for mobile homes and small houses.

Starting Price

\$3,450

(Twenty-year warranty)

WE INSTALL!

Roy Lumpkins (859) 771-1182

C-1-31-2T

Farmers Home Mutual Insurance Association Of Fleming Co.

Fire & Wind Coverage
Liability For Home & Farm
Mobile Home Coverage

NEW REDUCED RATE ON NEW SINGLE AND DOUBLEWIDE TRAILERS

Call for a quote
Gordon Donahue
606-783-1396
1-800-952-0003

C-1-11-1T

WILLIAMS & SON EXCAVATING

Dozer Or Excavating
Work Also Gravel Or Dirt Hauling

Contact:

PAUL OR DANIEL

WILLIAMS AT:

(606) 522-3055

(606) 477-3064 Or

(606) 477-6084

C-12-13-TF

Morehead Cinemas 6

200 Newtowne Square • Morehead, KY 40351

For showtime information, call 784-1605

Visit our website at www.moreheadcinemas6.com

SHOWTIMES FOR FRIDAY, FEBRUARY 1ST THROUGH THURSDAY, FEBRUARY 7TH

Doors Open At Noon With Matinees Daily:

Matinee Prices Are: \$4.00 For Kids (12 and Under)
\$5.00 For Adults • Children Under 3 Are Always FREE!
Evening (After 6) Prices Are: \$5.50 For Kids (12 And Under)
\$7.00 For Adults • Children Under 3 Are Always FREE!

Now with 100% Digital Sound

Bullet to The Head

R • 91 mins

1:15, 4:30, 7:20, 10:00

Hansel & Gretel: Witch Hunters

R • 88 mins

1:35, 7:40

Hansel & Gretel: Witch Hunters 3D

R • 88 mins

4:20, 9:55

Movie 43

R • 95 mins

1:25, 4:45, 7:30, 10:00

Silver Linings Playbook

R • 122 mins

1:00, 4:00, 7:00, 9:55

Warm Bodies

PG 13 • 97 mins

1:05, 4:10, 7:10, 9:50

Zero Dark Thirty

R • 157 mins

2:00, 6:00, 9:20

C-1-31-1T

13. Provide notices of hearing continuance and rescheduling.

Witness: Shute

Response: Attached.

THE BIG SANDY NEWS

338 Second Street

Paintsville, Kentucky 41240

Phone: 606.788.9962

Fax: 606.788.9952

AFFIDAVIT OF PUBLICATION

I, Tony Fyffe, hereby certify that I am the editor of THE BIG SANDY NEWS.
I further certify that a PUBLIC NOTICE, for KENTUCKY FRONTIER GAS, LLC, was
published February 20, 2013, in The Big Sandy News. IN TESTIMONY WHEREOF,
witness my signature this February 20, 2013.

THE BIG SANDY NEWS

SIGNATURE

Tony Fyffe

SUBSCRIBED AND SWORN TO BEFORE ME BY

Tony Fyffe

THIS THE 20 DAY OF February, 2013.

NOTARY PUBLIC

Kindly C. Thomas

MY COMMISSION EXPIRES:

Oct 21, 2014

Route 1107 in Van Lear, Kentucky. 606-789-3592. Your source for books, maps and more. (3/22 tfn)

LEGALS

NOTICE OF BOND RELEASE

In accordance with KRS 350.093, notice is hereby given that Mine Rite Coal Co., Inc., 190 Ky. Route 689 East, Flat Gap, KY 41219 has applied for a Phase I, II & III Bond Release on permit #888-0079 increments

hearing or informal conference is received, by March 5th, 2013. This is the final advertisement of this application. (1/30, 2/6, 2/13, 2/20 chg)

NOTICE OF INTENTION TO MINE
Pursuant to Application Number 864-9002 Renewal #3

In accordance with the provisions of KRS 350.055, notice is hereby given that Argus Energy, LLC, P.O. Box 190, Rt. 292, Lovely, Kentucky 41231, has filed an application for

struction of a metal building for recycling purposes, located at the Lawrence County Industrial Park. For specs please contact the County Judge's Office at 606-638-4102. Bids will be opened and awarded at the regularly scheduled meeting on March 18, 2013 at 9:30 a.m. The County has the right to select the lowest and/or best quote that is in the best interest of the County. Bids that are in substantial compliance with the advertisement shall be considered. (2/20, 2/27

house, Louisa, Kentucky 41230. (2/20, 2/27 chg)

PUBLIC NOTICE

The Kentucky Public Service Commission will hold a public hearing on March 7, 2013, 10:00 a.m. e.s.t. in hearing room 1 at its office, 211 Sower Blvd, Frankfort, Kentucky for the purpose of receiving public comments and other matters related to Case No. 2011-00443, Application of Kentucky Frontier Gas, LLC For Approval of Consolidation of And Ad-

SC.

SALE BY Holiday House-Carolina at, with or each, excellent n with p located


SERVICES
NEWSPAPER! Directory

ent Auction
ay, 6:00 p.m.
anner, KY (next to PO)
ng and photo gallery at
auctionzip.com/ors/120161.html
cs, Auctioneer
or 812-621-8536

START THE NEW YEAR
with a membership to
PRO FITNESS CENTER
in Prestonsburg!

Fantastic deals on annual memberships!
Men pay just \$299 for 1 full year!
Women, Students and Seniors pay just \$249 for 1 full year!
Private - Personal Training is available by appointment.
2 Tanning beds available - 10 visits only \$30
BICYCLE SHOP - We sell and service Trek and Cannondale And - we sell clothing, shoes & accessories for cycling & running.

1243 S. Lake Drive, Prestonsburg • 606-886-8604 • www.multisports.net
e-mail profitnesscntr@bellsouth.net • Pro Fitness Multisport Training Center on Facebook



JCAHO Accredited 
OXYGEN & HOME MEDICAL EQUIPMENT
Cpaps • Portable Oxygen Machines
• Hospital Beds
• Wheelchairs

We're the Biggest and the Best! Give us a call for all your advertising needs.



BECKY CRUM
SALES REPRESENTATIVE
bcrum@big sandynews.com
606-791-0862

Application No: _____

AFFIDAVIT

I, Sarah Lumpkins, of The Floyd County Times, Published at Prestonsburg, Kentucky, and having the Largest Circulation of Any Newspaper In Floyd County, Kentucky Do Hereby Certify that from my own knowledge and a check of the files of this newspaper that the advertisement of Public Notice for KY Frontier Gas, LLC

was inserted in The Floyd County Times on the following dates:

Date: <u>2-20-13</u>	Page: <u>B7</u>	Column: <u>3-4</u>
Date: _____	Page: _____	Column: _____
Date: _____	Page: _____	Column: _____
Date: _____	Page: _____	Column: _____
Date: _____	Page: _____	Column: _____

Signature Sarah Lumpkins

Subscribed and Sworn To Before Me By Sarah Lumpkins

This 20th Day of February, 2013

Notary Public
Virginia J. Jones
My Commission Expires the 25th Day of October, 2013

Business

WORKS
 ems? Viruses,
 printer issues,
 connections-FIX
 sional, U.S.-
 ns. \$25 off ser-
 mediate help.
 7-7822

BUSINESS

FORMS

Manufactured Homes

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 66-597-2083

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 Martin. Refer-
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 ood zone. Call
 4-2000.

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ntcomp.org
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 ad, Pikeville,
 r requests for
 or, Division of
 Frankfort, KY
 plication. All
 it conference
 ay's date

Manufactured Homes

FOR RENT: 3 BR MOBILE HOME @ MCDOWELL. MUST HAVE REFERENCES. CALL 377-6346

New housing program now available!! Your land or family land. \$0 down and turn key housing available with land improvement packages. Call to apply 866-597-2083

RECREATIONAL VEHICLES

RECREATIONAL VEHICLES

SERVICE / BUSINESS DIRECTORY

RECREATIONAL VEHICLES

LEGALS

PUBLIC NOTICE

The Kentucky Public Service Commission will hold a public hearing on March 7, 2013, 10:00 a.m. EST in hearing room 1 at its office 211 Sower Blvd., Frankfort, KY for the purpose of receiving public comments and other matters related to Case No. 2011-00443, Application of Kentucky Frontier Gas, LLC For Approval of Consolidation of and Adjustment of Rates, Approval of AMR Equipment and A Certificate Of Convenience And Necessity For Installation Of AMR, Pipeline Replacement Program, Revision of Non-Recurring Fees and Revision of Tariffs. This hearing is a continuation of the hearing held in this matter on February 14, 2013.

Auctions

ABSOLUTE LAND AUCTION

715± Acres ~ 22 Tracts

Estates of Robert "Bobby" C. Rose & Wilma C. Rose

March 9th & 16th - 10am
 Mt Parkway @ Exit 57 - Wolfe Co - near
 Lion Apparel

Bottom land tracts along KY 205N and KY 191
 Large acreage boundaries - Cropland -
 Commercial - Wooded - Hunting
 See website for more details - Must See

Turner Thompson
 Auctions
 Tony Turner: Principal Broker - Auctioneer
 606-593-6079
 Glen Thompson: Broker - Auctioneer
 606-668-6692
 www.glenthompson.com

60394955

LEGALS

LEGAL NOTICE

Hon. CV Reynolds, Attorney at Law, at CV Reynolds Law Offices, PSC, 112 West Court Street, Suite 100, Prestonsburg, Kentucky, has been appointed Warring Order Attorney by the Floyd Circuit Court to notify the Unknown Defendants of the nature and pendency of a certain lawsuit filed on or about November 26, 2012 in which the Unknown Defendants were named as a Defendant. Said suit has been filed in Division I of the Floyd Circuit Court and is represented by Civil Action No. 12-CI-1198, styled as The Estate of Roger Lee Vanhoose, by and through Luther D. Vanhoose, Administrator of the Estate of Roger Lee Vanhoose, Deceased vs. Highlands Hospital Corporation d/b/a Highlands Regional Medical Center, Consolidated Health Systems, Inc. d/b/a Highlands Health Systems, Elvira Blackburn, Margaret Bayes, Karen Herald, Rhonda Adkins, Laura Napier, Jessica Nicole Sluss, Shirley Wallen, Amy Hall, Marilyn Coleman, Emma Lee Preston, Donna Martin, Mari Lou Fraley, Anna Freeman, Oshara Lemaster, Juanita Branham, Linda McIntire, Beverly Meade, and Unknown Defendants. The Unknown Defendants are believed to be employees, supervisors and/or agents of Highlands Regional

ANNOUNCEMENTS

SERVICES

LEGALS

NOTICE OF INTENTION TO MINE

Pursuant to Application Number 836-5535, Renewal #1.

In accordance with KRS 350.055, notice is hereby given that The Elk Horn Coal Company, LLC, 544 South Lake Drive, Prestonsburg, 41653 has applied for renewal of a permit for an underground coal mining operation located 2.0 miles south-east of East McDowell in Floyd County. The proposed operation will disturb 8.75 surface acres and will underlie 935.0 acres and the total acres within the permit boundary will be 943.70 acres.

The proposed operation is located just west of KY 1929's junction with Neds Fork Road and located just west of Frasure Creek. The proposed facility is located on the McDowell U.S.G.S. 7 1/2 minute quadrangle map. The surface area to be disturbed is owned by The Elk Horn Coal Company, LLC. The operation will underlie land owned by Kennel Dye, Billy McCoy & Delphine Prater, Melvin R. Hall, Mary Jane Anderson, Nellie Caudill, Anita Stumbo, Curtis Sword, Rengie Dye, Basel Moore, Edd Ray Moore, Polly Howell Estate, Olvin & Drucille Howell, Abe & Christine, Howell Progress Land Co., The Elk Horn Coal Company, LLC., German Stumbo, Ed Moore Estate, Jake Cooley, Bertha Short, Donald Howell, Interstate Natural Gas.

The application has been filed for public inspection at the Department for Natural Resources Prestonsburg Regional Office, 3140 South Lake Drive, Prestonsburg, KY 41653. Written comments, objections or requests for a permit conference must be filed with the Director, Division of Permits, #2 Hudson Hollow, U.S. 127 South, Frankfort, KY 40601.

LEGALS

COMMONWEALTH OF KENTUCKY
 FLOYD CIRCUIT COURT
 DIVISION NO. II
 C.A. NO. 12-CI-823

FIFTH THIRD MORTGAGE COMPANY PLAINTIFF
 VS.
 LORA LEE LITTLE
 And
 PHILLIP J. LITTLE
 And
 FIRSTAR BANK NKA U.S. BANK DEFENDANTS

NOTICE OF COMMISSIONER'S SALE

By virtue of an In-Rem Judgment and Order of Sale of the Floyd Circuit Court entered the 17th day of December, 2012, in the above cause, as their interest in the subject property, in the principal amount of \$80,563.00 with interest thereon; please be advised that I shall proceed to offer for sale at the Old Floyd County Courthouse Door, South Central Avenue, Prestonsburg, Kentucky, (behind the new Floyd County Justice Center); to the highest and best bidder, at public auction, on the 21st day of February, 2013 at 10:00 a.m., upon the terms set forth following the description, the follow described property, to wit:

Property Address: 513 Shop Branch, Slanville, Kentucky 41659
 Beginning at survey stake (A) near Shop Fork Road on the survey plat drawn by Earnest A. Fannin, Jr., then traveling West with meanders of Shop Fork Road approximately 146 feet to the property line of Lavonne Parsons, then traveling with Parsons line North across the bottom to the center of Shop Fork Creek, thence traveling East with the meanders of the creek to a survey stake in the center of the creek and referred to a point (G) on the plat where it joins the property line of Roy Lewis, then traveling South approximately 62.08 feet running with the Roy Lewis property to survey stake (A) near Shop Fork Road. Being the same property conveyed from Florence Nicole Ratliff n/k/a Florence Nicole Hall and Gary L. Hall, wife and husband to Lora Lee Little and Phillip J. Little, wife and husband by Deed dated 02/03/06, recorded 02/09/06 1n Deed Book 521, Page 100 in the Office of the Clerk of Floyd County, Kentucky.

A. The successful bidder shall either pay cash or make a deposit of 10% of the purchase price with the balance on a credit for thirty (30) days, in which event the successful bidder shall be required to execute bond with good surety thereon. Said bond shall be for the unpaid purchase price and bear interest at the rate of 12% per annum from the date of sale until paid.

14. Copies of articles of dissolution for Cow Creek and Dema.

Witness: Shute

Response: Attached

Kentucky Frontier Gas LLC
Revenue Requirements - Rev Feb13

Calendar & FY 2011 Income Statement	Test Year Actual	Known-Meas Adjustments	Adjusted Tyr	Known & Measurable Change
OPERATING REVENUES:				
Gas Sales Revenues			\$ -	
Other Revenues	\$ -	\$ 39,200	\$ 39,200	Late Pmt penalty is substantial
TOTAL REVENUES	\$ -	\$ 39,200	\$ 39,200	
OPERATING EXPENSES:				
Natural Gas Purchases			\$ -	balanced to zero with GCAs
Maintenance Expense	\$ 302,703	\$ 19,252		add 1 Operator Jun11 (partial yr)
		\$ 5,854		add 1 truck (partial yr)
		\$ 40,560		add 1 Operator Feb12 for BTU
		\$ 15,120		add 1 truck for BTU
		\$ 21,822	\$ 405,311	6 Operators incr in May11+Jul12
Uncollectible Accts	\$ -	\$ 35,000	\$ 35,000	Bad Debts not accounted in 2011
Office Supplies	\$ 50,797	\$ 8,128	\$ 58,925	add BTU+Blaine
Outside Services	\$ 66,595		\$ 66,595	
Customer Records, etc	\$ 124,610	\$ 13,435		office staff incr in May11+Jul12
		\$ 30,401	\$ 168,447	add 1 clerk May12 for BTU
Meter Reading Labor	\$ 40,849		\$ 40,849	all addl labor in Mtce Expense
Admin Salaries	\$ 156,124		\$ 156,124	
Pensions & Benefits	\$ 25,046	\$ 7,385		incr med ins, st pension contribs
		\$ 9,768	\$ 42,199	SEP pension contributions
Property Insurance	\$ 33,191	\$ 7,964	\$ 41,155	incr liability insur for labor+trks
Other/Misc Expenses	\$ 2,312		\$ 2,312	
Depreciation	\$ 185,352	\$ 82,179	\$ 267,531	consol sched revised
Tax Expense - Other	\$ 60,496		\$ 60,496	all payroll changes incl above
Income Tax Expense	\$ 6,306		\$ 6,306	
TOTAL OPERATING EXPENSE	\$ 1,054,380	\$ 296,869	\$ 1,351,249	Known & Measurable changes
NET EFFECT		\$257,669	\$1,312,049	

Test Year is based on Fiscal & Calendar Year 2011.

Frontier started operating BTU Gas in August 2011 under contract with Trustee.

Other Revenues in 2011 were mostly accrued Ops charges to BTU Trustee.

Frontier added 2 employees specifically for BTU Gas in 2012,

these were not allocated to FTs and come in at 100% of cost.

For simplicity, added labor costs are all in Mtce Exp & Customer Records,

and not allocated into Meter Reading or Tax Expense (for payroll taxes).

Frontier started a Simplified Employee Pension pgm in Jul12 for all employees.

Kentucky Frontier Gas LLC
Revenue Requirements - Rev Feb13

Revenue Requirement***using Operating Ratio***

Pro Forma Operating Costs	\$ 1,312,049	Test Yr with Known & Meas chgs set by PSC
divide by Operating Ratio	<u>0.88</u>	
Revenue to cover Operating Ratio	<u>\$1,490,965</u>	
less Ops Costs = Net Ops Income	\$ 178,916	no income tax allowed by PSC
Multiply by Grossup for taxes	<u>1.000</u>	
Net Ops Income before Income Taxes	\$ 178,916	
Add: Pro Forma Ops Costs	\$ 1,312,049	see Loans exhibit no income tax allowed by PSC
Interest Expense	148,369	
Imputed Income Taxes	<u>-</u>	
Total Revenue Requirement	<u><u>\$ 1,639,334</u></u>	to Cost of Service exhibit

**Kentucky Frontier Gas LLC
Cost of Service by Class - Rev Feb13**

Customer Classes		Rates			
	Average # Meters	Annual Use MCF		Peak Month	
Residential & Commercial	3,330	213,500	74.9%	44,835	80.7%
Large Commercial	3	71,500	25.1%	10,725	19.3%
<hr/>					
Totals	3333	285,000		55,560	

Costs allocated by Demand		Annual	Allocation	Rates
Depreciation	\$267,531			
Operating Costs (partial)	<u>\$552,136</u>			
		\$819,667	50% by peak demand month	
Residential & Commercial		80.7%	\$661,443	\$3.10 per MCF
Large Commercial		19.3%	<u>\$158,224</u>	\$2.21 per MCF
			<u>\$819,667</u>	

Costs allocated by Meter & Volume		Annual	Allocation	Rates
Revenue Requirement	\$1,639,334			
less Demand Costs	<u>-\$819,667</u>			
other Operating Costs		\$819,667	50% by monthly meter charges & annual volume	
Monthly Meter Charges		\$401,400	24% by meter fees	
Residential & Commercial			\$399,600	\$10.00 per Month
Large Commercial			<u>\$1,800</u>	\$50.00 per Month
Volumetric		\$418,267	26% by annual volume	
Residential & Commercial		74.9%	\$313,333	\$1.47 per MCF
Large Commercial		25.1%	<u>\$104,934</u>	\$1.47 per MCF
			<u>\$819,667</u>	

Kentucky Frontier Gas LLC
Cost of Service by Class - Rev Feb13

Cost Allocation Summary	Demand	Mtr / MCF	Allocation	Rates
Residential & Commercial		\$399,600 / mtr	\$399,600 24.4%	\$10.00 per Month
	\$661,443	\$313,333 / mcf	\$974,776 59.5%	\$4.57 per MCF
Large Commercial		\$1,800 / mtr	\$1,800 0.1%	\$50.00 per Month
	\$158,224	\$104,934 / mcf	\$263,158 16.1%	\$3.68 per MCF
	50%	50%	\$1,639,334 100%	

Revenue Requirement is calculated with Operating Ratio.

Rev Req is allocated between Customer Classes using the Atlantic Seaboard method.

50% of RevReq is allocated based on Monthly Charges & Annual MCF volume.

50% of RevReq is allocated based on Monthly MCF usage vs Annual volume.

Kentucky Frontier Gas LLC
Cost of Service by Class - Rev Feb13

Cost Comparison for Typ Customer

60 MCF/yr average use

Monthly Service Charge

\$10.00 *per month*

Volumetric Charge

\$4.57 *per MCF*

Gas Cost

\$5.25 *per MCF commodity (projected)*

\$9.82 *per MCF*

\$ 709.20 *total proposed annual bill*

\$ 59.10 *per month*

\$ 597.00 *current wtd ave annual bill*
18.8% average customer increase

\$ 49.75 *per month*