

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)	CASE NO.
KENTUCKY FRONTIER GAS, LLC DBA)	2012-00395
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, 2012, Belfry filed its GCA to be effective October 1, 2012.

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 \$3.7276 per Mcf, an increase of \$.3297 per Mcf from its prior EGC of \$3.3979 per Mcf.
3. Belfry's notice sets out no Refund Adjustment.
4. Belfry's notice sets out a current quarter Actual Adjustment ("AA") of (\$.1174) per Mcf. Belfry's total AA is (\$1.1080) per Mcf, which is a decrease of \$.2035 per Mcf from its previous total AA of (\$.9045) per Mcf.
5. Belfry's notice sets out no Balance Adjustment.

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

6. Belfry's proposed GCA of \$2.6195 per Mcf contained a spread sheet calculation error. Belfry's corrected GCA of \$2.6196 per Mcf is an increase of \$.1262 per Mcf from its previous rate of \$2.4934 per Mcf.

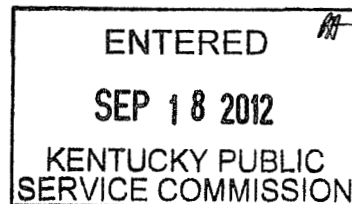
7. The rates in the Appendix to this Order are fair, just, and reasonable and should be approved for service rendered on and after October 1, 2012.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Belfry are denied.
2. The rates in the Appendix to this Order are approved for service rendered on and after October 1, 2012.
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

Commissioner Breathitt is abstaining from this proceeding.



ATTEST

Executive Director

A large, stylized handwritten signature in black ink, written over a horizontal line that serves as a signature line.

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00395 DATED **SEP 18 2012**

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	\$2.6196	\$6.8863
Over 1,000 cubic feet	\$2.7182	\$2.6196	\$5.3378

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