

**KENTUCKY FRONTIER GAS, LLC  
dba EAST KENTUCKY UTILITIES, INC.  
P.O. BOX 408  
PRESTONSBURG, KY 41653**

April 16, 2009

Ms. Leah Faulkner  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfurt, KY 40602-0615

Re: Gas Cost Recovery Rate  
Kentucky Frontier Gas, LLC  
dba Mike Little Gas Company, Inc.

Dear Ms. Faulkner:

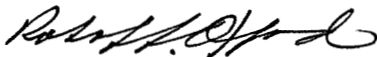
On behalf of Kentucky Frontier Gas, LLC dba, Mike Little Gas Company, Inc. (MLG) we are filing for Gas Cost Recovery for the period commencing June 1, 2009.

Enclosed is a Rates and Charges form and related calculations on which we base our request for rate changes. The cost of gas from MLG's suppliers, Columbia Gas of Kentucky and Equitable Energy, LLC are based on their tariffs and have been estimated for the calendar quarter beginning June 1, 2009. based on the NYMEX futures prices adjusted by historical factors.

If you have any questions, please call me at 303-422-3400.

Sincerely,

KENTUCKY FRONTIER GAS, LLC  
dba MIKE LITTLE GAS COMPANY, INC..



Robert J. Oxford, Member  
Kentucky Frontier Gas, LLC

RJO:psp

Enclosure

2009-00169  
RECEIVED  
APR 24 2009  
PUBLIC SERVICE  
COMMISSION

FOR Melvin, Byro,Weeksbury,Langley and Goble Roberts  
Community, Town or City

P.S.C. KY. NO. 1

SHEET NO. 3

Mike Little Gas Company, Inc.  
(Name of Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

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**RATES AND CHARGES**

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APPLICABLE: Entire area served

AVAILABILITY OF SERVICE: Domestic and commercial use in applicable areas.

A. MONTHLY RATES:

	<u>BASE RATE</u>	<u>GCRR</u>
FIRST (1) MCF (MINIMUM BILL)	\$5.50 +	\$ 8.0375=\$13.5375
OVER 1 MCG	\$4.3271	\$ 8.0375=\$12.3646

SURCHARGE: In addition to the above rates, a surcharge of \$.696 per Mcf used for all areas (except Goble Roberts) for Kentucky West Virginia Gas Company FERC Docket #TQ-89-46-000.

B. DEPOSITS \$100.00

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DATE OF ISSUE \_\_\_\_\_  
Month/Date/Year

DATE EFFECTIVE \_\_\_\_\_

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE \_\_\_\_\_

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

Company Name

Mike Little Gas Co.

Quarterly Report of Gas Cost  
Recovery Rate Calculation

Date Filed: April 16, 2009

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Date Rates to be Effective: June 1, 2009

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Reporting Period is ~~XXXXXX~~ <sup>Period</sup> Ended: January 31, 2009

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SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	7.7805
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	0.2575
+ <u>Balance Adjustment (BA)</u>	\$/Mcf	<u>          </u>
= Gas Cost Recovery Rate (GCR)		8.0375
GCR to be effective for service rendered from <u>June 1, 2009</u> to <u>August 31, 2009</u>		
<hr/>		
A. <u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	156,932
÷ Sales for the 12 months ended	Mcf	<u>20,170</u>
= Expected Gas Cost (EGC)	\$/Mcf	7.7805
B. <u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch.III)		
+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+ <u>Third Previous Quarter Supplier Refund Adjustment</u>	\$/Mcf	<u>          </u>
= Refund Adjustment (RA)	\$/Mcf	
C. <u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	0.2575
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	
+ <u>Third Previous Quarter Reported Actual Adjustment</u>	\$/Mcf	<u>          </u>
= Actual Adjustment (AA)	\$/Mcf	0.2575
D. <u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	
+ <u>Third Previous Quarter Reported Balance Adjustment</u>	\$/Mcf	<u>          </u>
= Balance Adjustment (BA)		

SCHEDULE II  
EXPECTED GAS COST

Actual \* MCF Purchases for 12 months ended January 31, 2009

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
Equitable			18,063	6.811	123,027
Columbia			5,896	9.169	54,060

Totals			<u>23,959</u>		<u>177,087</u>
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Line loss for 12 months ended Jan 31, 2009 is 15.8 % based on purchases of  
23,959 Mcf and sales of 20,170 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	177,087
÷ Mcf Purchases (4)	Mcf	<u>23,959</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	7.3913
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	<u>21,232</u>
= Total Expected Gas Cost (to Schedule IA)	\$	156,932

\*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.  
 \*\*Supplier's tariff sheets or notices are attached.

## Mike Little Gas Company

Schedule IV  
Actual Adjustment

	<u>31-Jan-09</u>								
For the 9 month period ending	<u>Month 1</u>	<u>Month 2</u>	<u>Month 3</u>	<u>Month 4</u>	<u>Month 5</u>	<u>Month 6</u>	<u>Month 7</u>	<u>Month 8</u>	<u>Month 9</u>
<u>Particulars</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>
Total Supply Volumes Purchased	MCF 807	500	522	413	529	1,297	2,970	3,709	4,946
Total Cost of Volumes Purchased	\$ 13,011	9,030	10,105	6,338	7,603	16,932	36,023	45,672	57,150
(divide by) Total Sales (not less than 95% of supply)	MCF 767	787	548	754	503	1,232	2,962	3,524	4,699
(equals) Unit Cost of Gas	\$/MCF 16.9712	11.4740	18.4398	8.4058	15.1288	13.7418	12.1617	12.9619	12.1629
(minus) EGC in effect for month	\$/MCF 11.2626	11.2626	11.2626	12.3938	12.3938	12.3938	12.3938	12.3938	12.3938
(equals) Difference	\$/MCF 5.7086	0.2114	7.1772	(3.9880)	2.7350	1.3480	(0.2321)	0.5681	(0.2309)
(times) Actual sales during month	MCF 296	787	548	754	368	1,083	2,962	2,814	4,188
(equals) Monthly cost difference	\$ 1,690	166	3,933	(3,007)	1,006	1,460	(687)	1,599	(967)
Total Cost Difference								<u>Unit</u>	<u>Amount</u>
(divide by) Sales for 12 Months ended								\$	5,193
(equals) Actual Adjustment for thr Reporting Period (to Schedule I C.)								MCF	20,170
								\$/MCF	0.2575

Jan 31, 2009