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PUBLIC SERVICE COMMISSION

October 28, 2009

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

Re: Case No. 2009-00371

Kentucky Frontier Gas, LLC

Dear Mr. Derouen:

In Case No. 2009-00371, Kentucky Frontier Gas, LLC dba, Mike Little Gas Company, Inc. (MLG) is amending the PGA filing of September 15th, 2009 to address items needing correction as noted in the Commission's Order dated October 15, 2009.

The attached revised tariffs are now in agreement with the authorized rates noted in the Commission's Order in the above case.

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

Presposition to

RJO/drh Enclosures

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

|                           |                                   | P.S.C. KY.  | NO.      | 1                                  |       |                                   |    | ·····                               |
|---------------------------|-----------------------------------|---|----------|------------------------------------|-------|-----------------------------------|----|-------------------------------------|
|                           |                                   |   |          | _ SHEET                            | NO    | 4                                 |    |                                     |
| Mike Little Gas Co        | ompany, Inc.<br>Name of Utility)  | CANCELIN  | GP.      | S. KY.NO                           |       |                                   |    |                                     |
|                           |                                   |   |          | SHEET                              | NO.   |                                   |    |                                     |
|                           | RA                                | TES AND CHAR  | SES      |                                    |       |                                   |    |                                     |
| APPLICABLE:               | E                                 | intire area served  |          |                                    |       |                                   |    |                                     |
| AVAILABILITY OF           | SERVICE:                          | omestic and com   | merc     | ial use in                         | appl  | icable area                       | S. |                                     |
| A.                        | MONTHLY RATES:                    |   | D -      | D-4-                               |       | CORR                              |    | Total                               |
|                           | RST (1) MCF (MINIMUM<br>'ER 1 MCF | BILL)   | \$<br>\$ | <u>se Rate</u><br>5.5000<br>4.3271 |       | <u>GCRR</u><br>4.58196<br>4.58196 |    | <u>Total</u><br>10.08196<br>8.90906 |
|                           | used for all area                 | n addition to the a<br>s (except Goble R<br>Docket #TQ-89-4 | ober     | ts) for Ker                        |       |                                   |    |                                     |
| В.                        | DEPOSITS \$100.00                 |   |          |                                    |       |                                   |    |                                     |
| DATE OF ISSUE             |                                   | otember 30, 2009  |          |                                    |       |                                   |    |                                     |
| DATE EFFECTIV             |                                   | Date/Year<br>vember 1, 2009                                 |          |                                    |       |                                   |    |                                     |
| ISSUED BY                 | <u>Lobra</u><br>(Signature        | of Officer)   | ر<br>    |                                    |       |                                   |    |                                     |
| TITLE                     | Me                                | mber  |          |                                    |       |                                   |    |                                     |
| BY AUTHORITY (IN CASE NO. | OF ORDER OF THE PUI<br>2009-00371 | BLIC SERVICE CO   |          | INSSION<br>ctober 28               | , 200 | 09                                |    |                                     |

# Company Name

Mike Little Gas Co.

Quarterly Report of Gas Cost Recovery Rate Calculation

| Date filed:                                 | September 10, 2009 |
|---|--------------------|
|   |                    |
| Date Rates to be Effective:                 | November 1, 2009   |
|   |                    |
| Reporting Period is Calendar Quarter Ended: | July 31, 2009      |

# MIKE LITTLE GAS - GAS COST RECOVERY RATE

### SCHEDULE I

# GAS COST RECOVERY RATE SUMMARY

|   | <u>Component</u>  | <u>Unit</u> |    | <u>Amount</u> |
|---|---|-------------|----|---------------|
|   | Expected Gas Cost (EGC)   | \$/Mcf      | \$ | 6.7580        |
| + | Refund Adjustment (RA)  | \$/Mcf      | \$ | _             |
| + | Actual Adjustment (AA)  | \$/Mcf      | \$ | (2.1761)      |
| + | Balance Adjustment (BA)   | \$/Mcf      | \$ |               |
| = | Gas Cost Recovery Rate (GCR)  |             | \$ | 4.58196       |
|   | GCR to be effective for service rendered from August 1, 2009 to Oct | ober 31, 20 | 09 |               |
| A | EXPECTED GAS COST CALCULATION                                       | <u>Unit</u> |    | <u>Amount</u> |
|   | Total Expected Gas Cost (Schedule II)                               | \$          | \$ | 163,821.05    |
| 1 | Sales for the 12 months ended                                       | Mcf         | ,  | 24,241        |
| = | Expected Gas Cost (EGC)   | \$/Mcf      | \$ | 6.7580        |
| В | REFUND ADJUSTMENT CALCULATION                                       | <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      | \$ | -             |
| + | Third Previous Quarter Supplier Refund Adjustment                   | \$/Mcf      | \$ | -             |
|   | Refund Adjustment (RA)  | \$/Mcf      | \$ | ew.           |
| С | ACTUAL ADJUSTMENT CALCULATION                                       | <u>Unit</u> |    | <u>Amount</u> |
|   | Actual Adjustment for the Reporting Period (Sch. IV)                | \$/Mcf      | \$ | (0.3674)      |
| + | Previous Quarter Reported Actual Adjustment                         | \$/Mcf      | \$ | (2.0662)      |
| + | Second Previous Quarter Reported Actual Adjustment                  | \$/Mcf      | \$ | 0.2575        |
| + | Third Previous Quarter Reported Actual Adjustment                   | \$/Mcf      | \$ | -             |
| = | Actual Adjustment (AA)  | \$/Mcf      | \$ | (2.1761)      |
| D | BALANCE ADJUSTMENT CALCULATION                                      | <u>Unit</u> |    | <u>Amount</u> |
|   | Balance Adjustment for the Reporting Period (Sch. V)                | \$/Mcf      | \$ | -             |
| + | Previous Quarter Reported Balance Adjustment                        | \$/Mcf      | \$ | -             |
| + | Second Previous Quarter Reported Balance Adjustment                 | \$/Mcf      | \$ | -             |
| + | Third Previous Quarter Reported Balance Adjustment                  | \$/Mcf      | \$ | -             |
|   | Balance Adjustment (BA)   | \$/Mcf      | \$ | -             |

#### MIKE LITTLE GAS - GAS COST RECOVERY RATE

#### SCHEDULE II

### **EXPECTED GAS COST**

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

| (1)       | (2) | (3)<br>BTU        | (4)       | (5)**  | (6)<br>(4) x (5) |
|-----------|-----|-------------------|-----------|--------|------------------|
| Supplier  | Dth | Conversion Factor | Mcf       | Rate   | Cost             |
| Equitable |     |                   | 17,595 \$ | 6.8110 | \$<br>119,839.55 |
| Columbia  |     |                   | 5,176 \$  | 8.4972 | \$<br>43,981.51  |
| Totals    |     |                   | 22,771    |        | \$<br>163,821.05 |

Line loss for 12 months ended July 31, 2009 is -3.22% based on purchases of 23,485 Mcf and sales of 24,241 Mcf.

|   | <u>Unit</u> | :  | <u>Amount</u> |
|---|-------------|----|---------------|
| Total Expected Cost of Purchases (6)                        | \$          | \$ | 163,821       |
| / Mcf Purchases (4)   | Mcf         |    | 22,771        |
| = Average Expected Cost Per Mcf Purchased                   | \$/Mcf      | \$ | 7.1943        |
| x Allowable Mcf Purchases (must not exceed Mcf sales / .95) | Mcf         |    | 22,771        |
| =   | \$          | \$ | 163,821       |

<sup>\*</sup> Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein

<sup>\*\*</sup> Supplier's tariff sheets or notices are attached

# Mike Little Gas Company

Schedule IV Actual Adjustment

For the 3 month period ending

July 31, 2009

|                                   |        | 윌 | Month 1 May- Month 2 Jun-           | ջ | ith 2 Jun- | Month 3   | ١            |
|-----------------------------------|--------|---|-------------------------------------|---|------------|-----------|--------------|
| <u>Particulars</u>                | Chit   |   | 8                                   |   | 60         | Jul-09    |              |
| Total Supply Volumes Purchased    | Mcf    |   | 832                                 |   | 474        | 461       | <del>-</del> |
| Total Cost of Volumes Purchased   | ↔      | ↔ | 8,095                               | ↔ | 3,653      | \$ 3,543  |              |
| (divide by) Total Sales           |        |   |                                     |   |            |           |              |
| (not less than 95% of supply)     | Mcf    |   | 1,322                               |   | 581        | 438       | ω            |
| (equals) Unit Cost of Gas         | \$/Mcf | ઝ | 6.1233 \$                           | ₩ | 6.2874 \$  | \$ 8.0900 | ـــا         |
| (minus) EGC in effect for month   | \$/Mcf | ↔ | 12.3938 \$                          | ↔ | 7.6063 \$  | \$ 7.6063 |              |
| (equals) Difference               | \$/Mcf | ↔ | (6.2705) \$ (1.3189) \$             | ↔ | (1.3189)   | \$ 0.4837 | l.           |
| (times) Actual sales during month | Mcf    |   | 1,322                               |   | 581        | 312       | 2            |
| (equals) Monthly cost difference  | မှာ    | ↔ | \$ (8,289.60) \$ (766.26) \$ 150.90 | ↔ | (766.26)   | \$ 150.9( | اا           |

| <u>Unit</u> Amount | \$ (8,904.96)         | Mcf 24,241  | \$ (0.3674)   | ।<br><del>ऽ</del>   | \$ (0.3674)   |
|--------------------|-----------------------|---|---|---|---|
|                    | Total cost difference | (divide by) Sales for 12 Months ended July 31, 2009 | (equals) Actual Adjustment for the Reporting Period | (plus) Over-recovery component from collections through expired AAs | (equals) Total Actual Adjustment for the Reporting Period (to Schedule I C) |