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PUBLIC SERVICE
COMMISSION

December 30, 2009

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

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

Dear Mr. Derouen:

2010-00001

On behalf of Kentucky Frontier Gas, LLC, dba Mike Little Gas Company, Inc. (MLG), we are filing for a Gas Cost Recovery for the period commencing February 1, 2010.

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 supplier, Columbia Gas of Kentucky and Equitable Energy, LLC are based on their tariffs.

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

Sincerely,

KENTUCKY FRONTIER GAS, LLC
dba BELFRY GAS COMPANY, INC.

A handwritten signature in black ink, appearing to read "Dennis R. Horner".

Dennis R. Horner
Kentucky Frontier Gas, LLC

Enclosure

Company Name

Mike Little Gas Co.

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date filed: December 30, 2009

Date Rates to be Effective: February 1, 2010

Reporting Period is Calendar Quarter Ended: October 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	\$ 7.1329
+ Refund Adjustment (RA)	\$/Mcf	\$ -
+ Actual Adjustment (AA)	\$/Mcf	\$ (2.2177)
+ Balance Adjustment (BA)	\$/Mcf	\$ -
= Gas Cost Recovery Rate (GCR)		\$ 4.9152

GCR to be effective for service rendered from August 1, 2009 to October 31, 2009

<u>A</u>	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$ 169,533.92
/	Sales for the 12 months ended <u>October 31, 2009</u>	Mcf	23,768
=	Expected Gas Cost (EGC)	\$/Mcf	\$ 7.1329

<u>B</u>	<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	\$ -
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$ -
=	Refund Adjustment (RA)	\$/Mcf	\$ -

<u>C</u>	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Sch. IV)	\$/Mcf	\$ (0.0416)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (0.3674)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ (2.0662)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$ 0.2575
=	Actual Adjustment (AA)	\$/Mcf	\$ (2.2177)

<u>D</u>	<u>BALANCE ADJUSTMENT CALCULATION</u>	<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 October 31, 2009

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) x (5) Cost
Equitable			17,674	\$ 6.8110	\$ 120,377.61
Columbia			5,785	\$ 8.4972	\$ 49,156.30
Totals			23,459		\$ 169,533.92

Line loss for 12 months ended October 31, 2009 is -1.32 % based on purchases of 23,459 Mcf and sales of 23,768 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$ 169,534
/ Mcf Purchases (4)	Mcf	23,459
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 7.2268
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)	Mcf	23,459
=	\$	\$ 169,534

* 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

July 31, 2009

For the 3 month period ending

Particulars	Unit	Month 1	Month 2	Month 3
		Aug-09	Sep-09	Oct-09
Total Supply Volumes Purchased	Mcf	533	480	1,305
Total Cost of Volumes Purchased	\$	3,930	2,907	8,722
(divide by) Total Sales				
(not less than 95% of supply)	Mcf	506	456	1,240
(equals) Unit Cost of Gas	\$/Mcf	7.7667	6.3750	7.0338
(minus) EGC in effect for month	\$/Mcf	7.6063	7.6063	7.6063
(equals) Difference	\$/Mcf	0.1604	(1.2313)	(0.5725)
(times) Actual sales during month	Mcf	245	267	1,220
(equals) Monthly cost difference	\$	39.30	(328.76)	(698.45)

	Unit	Amount
Total cost difference	\$	(987.91)
(divide by) Sales for 12 Months ended October 31, 2009	Mcf	23,768
(equals) Actual Adjustment for the Reporting Period	\$	(0.0416)
(plus) Over-recovery component from collections through expired AAs	\$	-
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)	\$	(0.0416)