



September 12, 2025

Attn: Jessica Stumbo
Big Sandy Federal Prison
1197 Airport Rd
Inez, KY 41224

Re: Notice of Rate Filing
Acct [REDACTED]

As you may have noticed with your last gas bill, Frontier has filed for a general rate increase to cover our operating expenses. This is the first such rate change filed with the Kentucky Public Service Commission since June 2017. From that PSC case, the CPI inflation index has risen more than 30%, but our margins have remained fixed since the existing rates were effective January 2018.

The Notice included in your August billing was slightly incorrect for Large Commercial customers such as your campus, see attached Revised Notice. The Existing Gas Rate was stated as \$0.3445 per CCF (hundred cubic feet), when the actual rate is \$0.3445⁴. The calculations following are unchanged, estimating the CCF rate will increase by 12% for an average-usage customer in this class.

All other calculations and statements are correct. The Monthly Customer Charge will increase from \$50 to \$150 per month. This is a substantial increase, but the new Frontier rate would be lower than the average \$200-300 charged by the larger gas utilities in Kentucky.

With present gas costs, the overall increase would be 24% for a typical Large Commercial, which varies with gas volume. Such increases are unpleasant, but unavoidable to cover the escalating cost of delivering natural gas service. Thanks for your understanding, as a valuable customer of Kentucky Frontier Gas.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Shute".

Steven Shute
Member-Manager

Kentucky Frontier Gas LLC

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

9589 0710 5270 2800 4630 99

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For delivery information, visit our website at www.usps.com®.

Inez, KY 41224

Certified Mail Fee \$5.30
\$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$11.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$11.00
\$

Total Postage and Fees \$20.70
\$

Sent To
United States Penitentiary - Big Sandy
Street and Apt. No., or PO Box No.
PO Box 2067
City, State, ZIP+4®
Inez, Ky. 41224

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions





September 12, 2025

Attn: Lori Welch
Appalachian Regional Hospital
5000 Ky Rte 321
Prestonsburg, KY 41653

Re: Notice of Rate Filing

Accts [REDACTED] **Hospital**

[REDACTED] **Med Ofc Bldg**

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Steven Shute
Member-Manager

Kentucky Frontier Gas LLC

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South Williamson, KY 40353

Certified Mail Fee \$5.30

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage \$11.00

Total Postage and Fees \$20.70

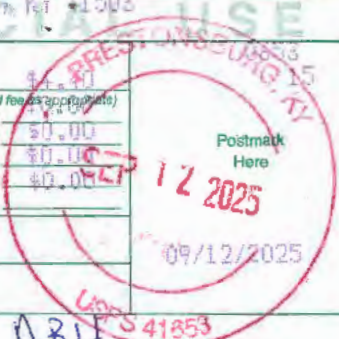
Sent to

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, January 2023 PSN 7530-02-000-9017

See Reverse for Instructions



Highlands ARH
200 Hospital Dr
South Williamson, Ky. 41503

**NOTICE OF APPLICATION OF KENTUCKY FRONTIER GAS, LLC TO ADJUST RATES FOR
NATURAL GAS SERVICE**

In accordance with the requirements of the Public Service Commission (“Commission”) as set forth in 807 KAR 5:076, notice is hereby given to the customers of Kentucky Frontier Gas, LLC (“Kentucky Frontier”) of a proposed rate adjustment. Kentucky Frontier intends to propose an adjustment of its existing natural gas rates by filing an application with the Commission on or after August 27, 2025 in Case No. 2025-00277. The rate adjustment will apply to all of Kentucky Frontier’s customers. The proposed increase is to be effective February 27, 2026, or sooner, if approved by the Kentucky Public Service Commission.

The present and proposed rates for the monthly customer charge for each customer classification to which the proposed rates will apply as well as the increase in dollar amount and percentage are set forth below:

Customer Class	Existing Monthly Customer Charge	Proposed Base Rates (customer charge)	Proposed Increase Amount	% of Proposed Increase
Residential & Commercial	\$13.00	\$25.00	\$12.00	92%
Large Commercial	\$50.00	\$150.00	\$100.00	200%
Farm Tap	\$10.00	\$25.00	\$15.00	150%
Daysboro Residential	\$10.71	\$25.00	\$14.29	133%
Daysboro Commercial	\$12.75	\$25.00	\$12.25	96%

The present and proposed rates for the base gas charge for each customer classification to which the proposed rates will apply as well as the increase in dollar amount and percentage are set forth below:

Customer Class	Existing Gas Base Rates/Ccf	Proposed Gas Base Rates/Ccf	Proposed Increase Amount	% of Proposed Increase
Residential & Commercial	\$0.4220	\$0.46492	\$0.04292	10%
Large Commercial	\$0.34454	\$0.38680	\$0.04226	12%
Farm Tap	\$0.4000	\$0.46492	\$0.06492	16%
Daysboro Residential	\$0.4500	\$0.46492	\$0.01492	3%
Daysboro Commercial	\$0.8570	\$0.46492	(\$0.39208)	-46%

The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply is set forth below:

Customer Class	Average monthly customer usage CCF	Present Average monthly cost per customer	Proposed Average monthly cost per customer	Cost increase based on average usage
Residential*	37.5	\$28.83	\$42.43	\$13.61 or 47%
Commercial*	100	\$55.20	\$71.49	\$16.29 or 30%
Large Commercial	25,000	\$8,663.50	\$9,820.00	\$1,156.50 or 13%
Farm Tap	53.3	\$31.33	\$49.80	\$18.46 or 59%
Daysboro Residential	37.5	\$27.59	\$42.43	\$14.85 or 54%

Daysboro Commercial	2,500	\$2,155.25	\$1,187.30	(\$967.95) or -45%
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* Although Kentucky Frontier has one rate class for Residential and Commercial customers, it has split the effect on the average bill between the two classes since usage is tracked separately. Combining the higher usage of the Commercial customers with the Residential customers would result in a higher average monthly usage and therefore higher cost impact than will be realized by the Residential customers and a lower average monthly usage and cost impact to the Commercial customers. Company believes this more accurately shows the cost impact to these customers.

Kentucky Frontier is also proposing changes in its Pipeline Replacement Program (“PRP”) and Automated Meter Reading (“AMR”) surcharges. The AMR surcharge of \$1.00 per customer per month will end. The PRP surcharge of \$5.00 per customer will change to \$2.50 per month (which will be a decrease in the amount of \$2.50 or 50%) with an added volumetric surcharge of \$0.037 per CCF usage (which will be an increase of \$0.037 and the percentage cannot be calculated since the stating figure was \$0.00). The present and proposed monthly charges including AMR and PRP, with the change in dollar amount and percentage change is listed below:

Customer Class	Present Average monthly cost per customer Inc. AMR/PRP	Proposed Average monthly cost per customer Inc. AMR/PRP	Cost increase based on average usage
Residential*	\$34.83	\$46.32	\$11.50 or 33%
Commercial*	\$61.20	\$77.69	\$16.49 or 27%
Large Commercial	\$8,669.50	\$10,747.50	\$2,078.00 or 24%
Farm Tap	\$32.33	\$49.80	\$17.46 or 54%
Daysboro Residential	\$33.59	\$46.32	\$12.74 or 38%
Daysboro Commercial	\$2,161.25	\$1,282.30	(\$878.95) or -41%

* Although Kentucky Frontier has one rate class for Residential and Commercial customers, it has split the effect on the average bill between the two types since usage is tracked separately. Combining the higher usage of the Commercial customers with the Residential customers would result in a higher average monthly usage and therefore higher cost impact than will be realized by the Residential customers and a lower average monthly usage and cost impact to the Commercial customers. Kentucky Frontier believes this more accurately shows the cost impact to these customers.

A person may examine the application and any related documents Kentucky Frontier has filed with the PSC at the utility’s principal Kentucky office, located at 2963 KY Rt. 321, Prestonsburg, KY 41653.

A person may also examine the application and related documents Kentucky Frontier has filed with the PSC: (i) at the Commission’s offices located at 211 Sower Boulevard, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.; or (ii) through the Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Commission through its Web site <https://psc.ky.gov>, by mail to Kentucky Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, or by electronic mail to: psc.info@ky.gov.

The rates contained in this notice are the rates proposed by Kentucky Frontier, but the Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Commission at Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.

AFFIDAVIT

Comes now the Affiant, Heather Slone, in her capacity as the Manager - Compliance for Kentucky Frontier Gas LLC, and after being duly sworn, does hereby affirm that a copy of the attached Revised Notice, was mailed and entered USPS circulation to all Large Commercial customers of Kentucky Frontier Gas LLC on September 12, 2025.

STATE OF KENTUCKY)
)
COUNTY OF FLOYD)

The foregoing Affidavit was signed, acknowledged and sworn to before me this the 12th day of September, 2025 by Heather Slone.

Felicia Miller
KYN PGST 63
Commission expiration *January 17, 2027*
Heather Slone 9-12-2025