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PUBLIC SERVICE
COMMISSION

September 11, 2009

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

2009-00371

Re: Case No. 2009-
Kentucky Frontier Gas, LLC

Dear Mr. Derouen:

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

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/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 Company, Inc.
(Name of Utility)

CANCELING P.S. KY.NO.

SHEET NO. _____

RATES AND CHARGES

APPLICABLE: Entire area served

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

A. MONTHLY RATES:

	<u>Base Rate</u>	<u>GCR</u>	<u>Total</u>
FIRST (1) MCF (MINIMUM BILL)	\$ 5.5000	\$ 4.2930	\$ 9.7930
OVER 1 MCF	\$ 4.3271	\$ 4.2930	\$ 8.6201

SURCHARGE: In addition to the above rates, a surcharge of \$0.696 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

DATE OF ISSUE September 10, 2009

Month/Date/Year

DATE EFFECTIVE October 1, 2009

ISSUED BY 

(Signature of Officer)

TITLE Member

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2009-00309 DATED September 10, 2009

Company Name

Mike Little Gas Co.

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date filed: September 10, 2009

Date Rates to be Effective: October 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	\$ (2.4650)
+	Balance Adjustment (BA)	\$/Mcf	\$ -
=	Gas Cost Recovery Rate (GCR)		\$ 4.2930

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

A	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$ 163,821.05
/	Sales for the 12 months ended	Mcf	24,241
=	Expected Gas Cost (EGC)	\$/Mcf	\$ 6.7580

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

C	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Sch. IV)	\$/Mcf	\$ (0.6563)
+	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	\$ (2.4650)

D	<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 July 31, 2009

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

	Unit	Amount
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

* 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

For the 3 month period ending

July 31, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u>	<u>May</u>	<u>Month 2</u>	<u>Jun</u>	<u>Month 3</u>
		<u>09</u>		<u>09</u>		<u>Jul-09</u>
Total Supply Volumes Purchased	Mcf		832		474	461
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
(equals) Unit Cost of Gas	\$/Mcf	\$	6.1233	\$	6.2874	\$ 8.0900
(minus) EGC in effect for month	\$/Mcf	\$	12.3938	\$	12.3938	\$ 12.3938
(equals) Difference	\$/Mcf	\$	(6.2705)	\$	(6.1064)	\$ (4.3038)
(times) Actual sales during month	Mcf		1,322		581	312
(equals) Monthly cost difference	\$	\$	(8,289.60)	\$	(3,547.80)	\$ (1,342.80)

	<u>Unit</u>	<u>Amount</u>
Total cost difference	\$	\$ (13,180.20)
(divide by) Sales for 12 Months ended July 31, 2009	Mcf	24,241
(equals) Actual Adjustment for the Reporting Period		\$ (0.5437)
(plus) Over-recovery component from collections through expired AAs		\$ (0.1126)
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)		\$ (0.6563)