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PUBLIC SERVICE  
COMMISSION

December 7, 2009

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

Re: **Case No. 2009-00458**  
Kentucky Frontier Gas, LLC

Dear Mr. Derouen:

In Case No. 2009-00458, Kentucky Frontier Gas, LLC dba, Belfry Gas Company, Inc. (BGC) is revising the PGA filing of November 23, 2009 to address items needing correction.

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 cursive script that reads "Dennis R. Horner".

Dennis R. Horner  
Kentucky Frontier Gas, LLC

Enclosures

FOR Belfry Kentucky  
Community, Town or City

P.S.C. KY. NO. 102nd

Original SHEET NO. 1

Belfry Gas Company, Inc.  
(Name of Utility)

CANCELING P.S. 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>	<u>Total</u>
FIRST (1) MCF (MINIMUM BILL)	\$ 4.2667	4.1106	8.3773
OVER 1 MCF	\$ 2.7182	4.1106	6.8288

B. DEPOSITS \$100.00

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DATE OF ISSUE November 23, 2009

Month/Date/Year

DATE EFFECTIVE January 1, 2010

ISSUED BY 

(Signature of Officer)

TITLE Member

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2009-00458 DATED November 24, 2009

Company Name

Belfry Gas Company, Inc.

Quarterly Report of Gas Cost  
Recovery Rate Calculation

Date filed: November 23, 2009

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Date Rates to be Effective: January 1, 2010

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Reporting Period is Calendar Quarter Ended: September 30, 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	\$	6.5406
+ Refund Adjustment (RA)	\$/Mcf	\$	-
+ Actual Adjustment (AA)	\$/Mcf	\$	(2.4300)
+ Balance Adjustment (BA)	\$/Mcf	\$	-
= Gas Cost Recovery Rate (GCR)		\$	4.1106

GCR to be effective for service rendered from January 1, 2010 to March 31, 2010

<u>A</u>	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>		<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$	306,886.43
/	Sales for the 12 months ended <u>September 30, 2009</u>	Mcf		46,920
=	Expected Gas Cost (EGC)	\$/Mcf	\$	6.5406
<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	\$	(0.7074)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	\$	(1.7226)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$	-
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$	-
=	Actual Adjustment (AA)	\$/Mcf	\$	(2.4300)
<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	\$	-

**Belfry Gas Company, Inc. - GAS COST RECOVERY RATE**

SCHEDULE II

EXPECTED GAS COST

Actual \*MCF Purchases for 12 months ended September 30, 2009

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) x (5) Cost
Quality Natural Gas, LLC			51,475	\$ 6.2136	\$ 319,845.06
					\$ -
<b>Totals</b>			<b>51,475</b>		<b>\$ 319,845.06</b>

Line loss 12 months ended September 30, 2009 is 8.85% based on purchases of 51,475 Mcf and sales of 46,920 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	\$ 319,845
/ Mcf Purchases (4)	Mcf	51,475
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 6.2136
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)	Mcf	49,389
= Total Expected Gas Cost (to Schedule 1A)	\$	\$ 306,886

\* Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein

\*\* Supplier's tariff sheets or notices are attached

**Belfry Gas Company, Inc.**

Schedule IV  
Actual Adjustment

For the 7 month period ending September 30, 2009

Particulars	Unit	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
		Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
Total Supply Volumes Purchased	Mcf	5,994	3,290	2,662	2,086	776	2,202
Total Cost of Volumes Purchased (divide by) Total Sales (not less than 95% of supply)	\$	\$ 28,542	\$ 14,941	\$ 13,306	\$ 10,600	\$ 3,429	\$ 8,040
(equals) Unit Cost of Gas	Mcf	5,694	3,517	2,529	1,982	737	2,092
(minus) EGC in effect for month	\$/Mcf	\$ 5,0124	\$ 4,2482	\$ 5,2616	\$ 5,3489	\$ 4,6514	\$ 3,8434
(equals) Difference	\$/Mcf	\$ 8,2148	\$ 8,2148	\$ 5,7245	\$ 4,8530	\$ 4,8530	\$ 4,8530
(times) Actual sales during month	\$/Mcf	\$ (3,2024)	\$ (3,9666)	\$ (0,4629)	\$ 0,4959	\$ (0,2016)	\$ (1,0096)
(equals) Monthly cost difference	Mcf	5,622	3,517	924	924	616	1,134
	\$	\$ (18,004.00)	\$ (13,950.45)	\$ (427.74)	\$ 458.25	\$ (124.20)	\$ (1,144.89)
Total cost difference (divide by) Sales for 12 Months ended September 30, 2009	Unit	\$	Mcf				
(equals) Actual Adjustment for the Reporting Period	Amount	\$ (33,193.03)					
(plus) Over-recovery component from collections through expired AAs		\$ 46,920					
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)		\$ (0.7074)					
		\$ -					
		\$ (0.7074)					

NOTE: Due to severe weather and flooding, June 15th meter readings did not occur. July 15th readings were for both June & July. Schedule IV sales for June and July are prorated. The high line-loss for the period ending September 30 is primarily a result of damage sustained in the June flood.