

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF KENTUCKY FRONTIER GAS,)	CASE NO. 2009-00458
LLC D/B/A BELFRY GAS COMPANY, INC.)	

ORDER

On October 11, 1993, in Case No. 1993-00111, the Commission approved rates for Belfry Gas Company, Inc. ("Belfry Gas") and provided for their further adjustment in accordance with Belfry Gas's Gas Cost Adjustment ("GCA") clause.¹

On November 24, 2009, Kentucky Frontier Gas, LLC d/b/a Belfry Gas Company, Inc. ("Belfry") filed its GCA to be effective January 1, 2010. Belfry revised its filing on December 10, 2009.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Belfry's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Belfry's notice sets out an Expected Gas Cost ("EGC") of \$6.5406 per Mcf, an increase of \$1.6876 per Mcf from its prior EGC of \$4.8530 per Mcf.
3. Belfry's notice sets out no Refund Adjustment ("RA") for the current quarter. Belfry's total RA is \$.0000 per Mcf, which is no change from the prior total RA.

¹ Case No. 1993-00111, Adjustment of Rates of Belfry Gas Company, Incorporated and for Authority to Incur Additional Indebtedness (Ky. PSC Oct. 11, 1993).

4. Belfry's notice sets out a current quarter Actual Adjustment ("AA") of (\$.7074) per Mcf. Belfry's total AA calculation did not include the previous quarter AA of (\$.3910) per Mcf. Correcting this produces a total AA of (\$2.8210) per Mcf, which is a decrease of \$.6975 per Mcf from its previous total AA of (\$2.1235) per Mcf.

5. Belfry's notice sets out no Balance Adjustment.

6. Belfry's GCA is \$3.7196 per Mcf, which is an increase of \$.9901 per Mcf from its previous rate of \$2.7295 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Belfry on and after January 1, 2010.

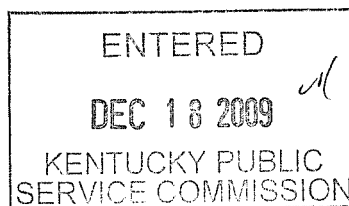
IT IS THEREFORE ORDERED that:

1. Belfry's proposed rates are denied.

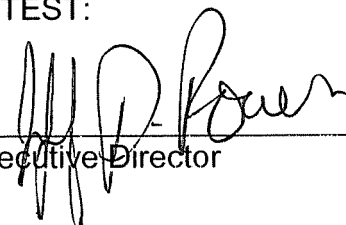
2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after January 1, 2010.

3. Within 20 days of the date of this Order, Belfry shall file with the Commission its revised tariff sheets setting out the rates authorized herein.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00458 DATED DEC 18 2009

The following rates and charges are prescribed for the customers served by Kentucky Frontier Gas, LLC d/b/a Belfry Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RETAIL RATES:

Monthly usage

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet (Minimum Bill)	\$4.2667	\$3.7196	\$7.9863
Over 1,000 cubic feet	\$2.7182	\$3.7196	\$6.4378

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