



RECEIVED

MAR 28 2013

PUBLIC SERVICE  
COMMISSION

March 27, 2013

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:

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 May 1, 2013.

Enclosed are calculations on which we base our request for rate changes. EGC is based on Columbia Gas IUS rate approved in 2012-00477. Quality rate is 80% of TCO App + transportation + fuel charges.

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

Sincerely,

KENTUCKY FRONTIER GAS, LLC  
dba MIKE LITTLE GAS COMPANY, INC.

Dennis R. Horner  
Kentucky Frontier Gas, LLC

Enclosure

FOR: Melvin, Byro, Weeksbury, Langley and Goble Roberts  
Community, Town or City

P.S.C. KY. NO. 1

SHEET NO. 5

Mike Little 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:

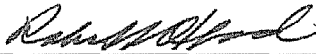
	<u>Base Rate</u>	<u>GCRR</u>	<u>Total</u>
FIRST (1) MCF (MINIMUM BILL)	\$ 5.5000	4.5337	10.0337
OVER 1 MCF	\$ 4.3271	4.5337	8.8608

B. DEPOSITS \$100.00

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DATE OF ISSUE March 27, 2013

DATE EFFECTIVE May 1, 2013

ISSUED BY   
(Signature of Officer)

TITLE Member

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

Company Name

Mike Little Gas Company, Inc.

Quarterly Report of Gas Cost  
Recovery Rate Calculation

Date filed: March 27, 2013

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Date Rates to be Effective: May 1, 2013

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Reporting Period Ending: January 31, 2013

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Mike Little Gas Company, Inc. - 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 \$	4.9543
+ Refund Adjustment (RA)	\$/Mcf \$	-
+ Actual Adjustment (AA)	\$/Mcf \$	(0.4207)
+ Balance Adjustment (BA)	\$/Mcf \$	-
= Gas Cost Recovery Rate (GCR)	\$	4.5337

GCR to be effective for service rendered from: 5/1/13 to 7/31/13

<u>A</u>	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	\$ 92,685.69
/	Sales for the 12 months ended <u>January 31, 2013</u>	Mcf	18,708
=	Expected Gas Cost (EGC)	\$/Mcf \$	4.9543

<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 \$	(0.4079)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf \$	0.1125
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf \$	0.0132
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.1385)
=	Actual Adjustment (AA)	\$/Mcf \$	(0.4207)

<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 Company, Inc. - GAS COST RECOVERY RATE

SCHEDULE II

EXPECTED GAS COST

Actual MCF Purchases for 12 months ended: 1/31/2013

(1) Supplier	(2) Dth	(3) BTU Conversion	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Quality*			13,778	\$5.3245	\$73,360.96
Columbia Gas of KY**			3,856	\$5.0116	\$19,324.73
					\$0.00
					\$0.00
Totals			17,634		\$92,685.69

Line loss 12 months ended January 31, 2013 on purchases of 17,634  
and sales of 18,708 = -6.09%

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$92,685.69
/ Mcf Purchases (4)	Mcf	17,634
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$5.2561
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)	Mcf	17,634
= Total Expected Gas Cost (to Schedule 1A)	\$	\$92,685.69

\* EGC calcu: NYMEX futures for May (\$4.09/Dth); Jun (\$4.13/Dth); Jul (\$4.17/Dth) = \$4.13/Dth (avg.)  
(+) \$0.00 (TCO basis) x .8 = \$3.3040 + 12.35% (fuel) + \$0.725 (trans.) = \$4.4370 x 1.2 Dth/Mcf =  
\$5.3245 /Mcf

\*\* Columbia Gas IUS rate approved November 28, 2012 Case No. 2012-00477

**Mike Little Gas Company, Inc.**

Schedule IV  
Actual Adjustment

For the 3 month period ending: January 31, 2013

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>12</u>	<u>Nov-</u> <u>Dec-12</u>	<u>Month 2</u> <u>Jan-13</u>	<u>Month 3</u>
Total Supply Volumes Purchased	Mcf	2,268	2,994	3,410	
Total Cost of Volumes Purchased	\$	\$10,909	\$15,439	\$16,167	
(divide by) Total Sales (not less than 95% of supply)	Mcf	2,696	3,235	4,455	
(equals) Unit Cost of Gas	\$/Mcf	\$4.0464	\$4.7725	\$3.6290	
(minus) EGC in effect for month	\$/Mcf	\$4.8282	\$4.8282	\$4.8282	
(equals) Difference	\$/Mcf	(\$0.7818)	(\$0.0557)	(\$1.1992)	
(times) Actual sales during month	Mcf	2,696	3,235	4,455	
(equals) Monthly cost difference	\$	(\$2,107.83)	(\$180.23)	(\$5,342.63)	

	<u>Unit</u>	<u>Amount</u>
Total cost difference	\$	(\$7,630.69)
(divide by) Sales for 12 Months ended: <u>January 31, 2013</u>	Mcf	18,708
(equals) Actual Adjustment for the Reporting Period		(\$0.4079)
(plus) Over-recovery component from collections through expired AAs		\$0.0000
(equals) Total Actual Adjustment for the Reporting Period (to Schedule I C)		(\$0.4079)

**NOTE: Aug, Sep & Oct volumes are greater than expected. EQT is investigating meter readings.**