

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF MARTIN GAS, INC.) CASE NO. 2013-00247

ORDER

On September 30, 1991, in Case No. 1990-00402, the Commission approved certain adjusted rates for Martin Gas, Inc. ("Martin").¹ In November 2004, Martin proposed, and the Commission approved, changes to its tariff that included, among other items, changes to its Gas Cost Adjustment ("GCA") clause. Those changes updated the methodology of calculating the components of the GCA.

On June 27, 2013, Martin filed a GCA for rates to be effective July 1, 2013.

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

1. Martin's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Martin's notice sets out an Expected Gas Cost ("EGC") of \$5.0302 per Mcf, which represents a decrease of \$.0576 from its prior EGC of \$5.0878 per Mcf.
3. Martin's notice sets out no Refund Adjustment ("RA") for the current quarter and no total RA, which is no change from the prior total RA.

¹ Case No. 1990-00402, In the Matter of Application of Martin Gas, Inc. for Authority to Adjust Rates and to Extend Current Surcharge (Ky. PSC Sept. 30, 1991).

4. Martin's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0158) per Mcf. Martin failed to use the correct purchased gas cost and volumes for October, November, and December 2012. Correcting this produces a current quarter AA of (\$.0417). Martin's total AA is \$.0114 per Mcf, representing an increase of \$.0633 per Mcf from the previous quarter total AA of (\$.0519) per Mcf.

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

6. Martin's GCA is \$5.0416 per Mcf, which is an increase of \$.0057 per Mcf from its previous rate of \$5.0359 per Mcf.

7. The GCA rate in the Appendix to this Order is fair, just, and reasonable, and should be approved for billing for service rendered by Martin on and after July 27, 2013. Martin did not give the 30 days' notice required for the increase in its GCA rate to be effective July 1, 2013.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Martin is denied.

2. The rate in the Appendix attached hereto and incorporated herein is approved for billing for service rendered on and after July 27, 2013.

3. Within 20 days of the date of this Order, Martin shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED
JUL 19 2013
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2013-00247

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00247 DATED **JUL 19 2013**

The following rates and charges are prescribed for the customers served by Martin Gas, 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:

| | <u>Base Rate</u> | <u>Gas Cost Recovery Rate</u> | <u>Total</u> |
|--------------|------------------|---------------------------------------|--------------|
| First Mcf | \$4.3976 | \$5.0416 | \$9.4392 |
| Over 1 Mcf | \$4.2808 | \$5.0416 | \$9.3224 |
| Minimum Bill | \$9.4392 | | |

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