

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)	CASE NO.
MARTIN GAS, INC.)	2013-00416

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 November 25, 2013, Martin filed a GCA for rates to be effective January 1, 2014.

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 \$5.0214 per Mcf, which represents a decrease of \$.0006 from its prior EGC of 5.0220 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 (\$.0104) per Mcf. In reviewing information contained in Case No. 2013-00247², it appears that Martin erroneously calculated its total AA by including its previous quarterly AAs as \$.0112 instead of (\$.0112); \$.0159 instead of (\$.0159); and \$.0260 instead of (\$.0260). Correcting this to return the over-recovery of gas cost generated by that error produces a current quarter AA of (\$.0223). Martin's total AA is (\$.1143) per Mcf, which represents a decrease of \$.0064 per Mcf from the previous total AA of (\$.1079) per Mcf.

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

6. Martin's GCA is \$4.9071 per Mcf, which is a decrease of \$.0070 per Mcf from its previous rate of \$4.9141 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for service rendered by Martin on and after January 1, 2014.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Martin are denied.

2. The rates in the Appendix attached hereto and incorporated herein are approved for service rendered on and after January 1, 2014.

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 rates approved herein and reflecting that they were approved pursuant to this Order.

² Case No. 2013-00247, Purchased Gas Adjustment Filing of Martin Gas, Inc. (Ky. PSC July 19, 2013).

By the Commission

ENTERED
DEC 11 2013
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2013-00416

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00416 DATED DEC 11 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	\$4.9071	\$9.3047
Over 1 Mcf	\$4.2808	\$4.9071	\$9.1879
Minimum Bill	\$9.3047		

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