

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF ) CASE NO.  
MARTIN GAS INC. ) 2014-00176

ORDER

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

On May 30, 2014, Martin filed its GCR application with rates to be effective July 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 \$5.3987 per Mcf. Martin did not adjust its allowable Mcf purchases to reflect its having greater than five percent line loss. Correcting this produces an EGC of \$5.3904 per Mcf, which represents an increase of \$.2626 per Mcf from its prior EGC of \$5.1278 per Mcf.

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<sup>1</sup> 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).

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.

4. Martin's notice sets out a current quarter Actual Adjustment ("AA") of \$.0122 per Mcf. Martin's total AA of (\$.0526) per Mcf represents an increase of \$.0269 per Mcf from the previous total AA of (\$.0795) per Mcf.

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

6. Martin's corrected GCR is \$5.3378 per Mcf, which is an increase of \$.2895 per Mcf from its previous GCR of \$5.0483 per Mcf.

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

IT IS THEREFORE ORDERED that:

1. The rate proposed by Martin is denied.

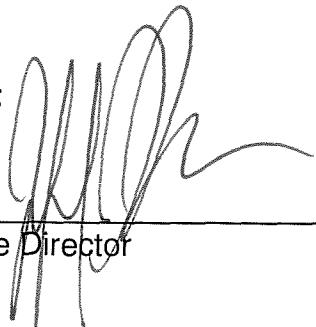
2. The rate in the Appendix attached hereto and incorporated herein is approved for service rendered on and after July 1, 2014.

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.

By the Commission

ENTERED #1  
JUN 17 2014  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-00176 DATED **JUN 17 2014**

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	\$5.3378	\$9.7354
Over 1 Mcf	\$4.2808	\$5.3378	\$9.6186
Minimum Bill	\$9.7354		

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