

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WILLIAM R. WEINBERG AND	)	
LOIS COMBS WEINBERG TO TRANSFER THEIR	)	CASE NO.
SEVENTY-SIX SHARES OF COMMON STOCK IN	)	2016-00120
MARTIN GAS, INC. TO JED WILLIAM WEINBERG	)	
AND ZACHERY COMBS WEINBERG	)	

ORDER

On March 14, 2016, William and Lois Weinberg filed an application with the Commission, pursuant to KRS 278.020(5) and 807 KAR 5:001, for approval to transfer their 76 shares of the capital stock of Martin Gas, Inc. ("Martin Gas") to their sons, Jed William Weinberg and Zachery Combs Weinberg ("transferees"). The Commission finds that further investigation into this matter is necessary and that good cause exists to continue the application for an additional 60 days, pursuant to KRS 278.020(6). The Commission further finds that the application contains insufficient information about the proposed transferees' "financial, technical, and managerial abilities to provide reasonable service" pursuant to KRS 278.020(5) to enable the Commission to make a determination as to whether approval of the stock transfer should be granted. Accordingly, the Commission joins the proposed transferees of the stock transfer as parties to this action, pursuant to 807 KAR 5:001, Section 1(10)(e). The Commission has also established a procedural schedule, attached as Appendix A to this Order, and a Request for Information, attached as Appendix B to this Order, and directs the parties to respond accordingly.

IT IS THEREFORE ORDERED that:

1. This matter is continued, pursuant to KRS 278.020(6), for an additional 60 days.

2. Jed Weinberg and Zachery Weinberg are hereby joined as parties to this action.

3. The procedural schedule set forth in Appendix A to this Order shall be followed.

a. The information requested in Appendix B to this Order is due on or before April 29, 2016. Responses to requests for information shall be appropriately bound, tabbed and indexed, and shall include the name of the witness responsible for responding to the questions related to the information provided, with copies to all parties of record, and the original and ten copies to the Commission.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

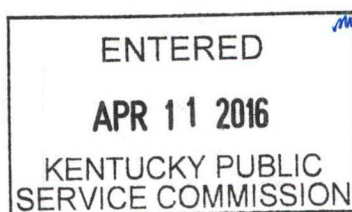
e. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(1), encrypt or redact the paper so that the personal information cannot be read.

4. A person who submits a motion to intervene after April 22, 2016, and upon a showing of good cause is granted full intervention, shall accept and abide by the existing procedural schedule.

5. The Commission does not look favorably upon motions for continuance. Consequently, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

6. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission



ATTEST

  
Acting Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00120 DATED **APR 11 2016**

Requests for intervention shall be filed no later than .....04/22/16

William, Lois, Jed, and Zachery Weinberg  
(collectively, "Applicants") shall file responses to  
Commission Staff's Initial Request for  
Information (Appendix B to this Order) no later than.....04/29/16

Supplemental requests for information  
shall be filed no later than .....05/10/16

Applicants shall file responses to supplemental requests  
for information no later than .....05/19/16

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00120 DATED **APR 11 2016**

#### COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION

1. Refer to the application, page 1, which indicates that William and Lois Weinberg collectively own 76 shares of Martin Gas and seek approval to transfer a total of 72 shares (36 shares to Jed Weinberg and 36 shares to Zachery Weinberg).

a. Confirm the number of shares William and Lois Weinberg each hold, individually, of Martin Gas, and the number of shares each desires to transfer to their children, Jed and Zachery Weinberg.

b. Provide a breakdown of the number of shares of Martin Gas held by any individual before the proposed transfer and the number of shares held by any individual after the proposed transfer.

2. Identify and attach any purchase/sale agreement between the transferring and acquiring parties or other document concerning the proposed transfer of stock to which Jed Weinberg and Zachery Weinberg are signatories.

3. Refer to the application, p. 2, where it states that Jed Weinberg served as president of Martin Gas prior to 2011. Provide the number of years that Jed Weinberg served as president of Martin Gas.

4. Refer to the application, page 2, where it states, "In addition to being president of Martin Gas, Inc., Zachery C. Weinberg is also the County Judge Executive of the County of Knott. He has been vice president of Clean Gas, Inc. for many years."

a. Describe in detail how being the Knott County Judge Executive and vice president of Clean Gas, Inc. ("Clean Gas") affects Zachery Weinberg's managerial ability as it relates to being the president of Martin Gas.

b. Provide the year Zachery Weinberg became a vice president of Clean Gas and clarify whether he has been in that position continually since then.

5. Refer to the application, page 2, where it states in part that Jed Weinberg is the Chief Executive Officer of Clean Gas, a member of the Kentucky Oil and Gas Association's Board of Directors, a member of the Board of Trustees of the University of Pikeville and Chairman of the Board of the Bank of Hindman. Identify and describe the financial and technical abilities Jed Weinberg will bring to Martin Gas as a primary shareholder if the proposed transaction is approved by the Commission.

6. According to annual reports filed with the Commission, Clean Gas was last a wholesale supplier to Martin Gas in 2011. These reports identify Hayden Harper, Spradlin Gas Company, JZT Production LLC, and Equitable Energy as gas suppliers to Martin Gas in 2012, 2013, and 2014. The last three of these gas suppliers plus Vinland, Basin Energy, and Harpo Energy are identified as suppliers to Martin Gas in 2015.

a. Explain whether Martin Gas, William, Lois, Jed, Zachery, or Tomas Weinberg currently has, or previously had, an ownership interest in any of these wholesale gas suppliers.

b. If the answer to part a. of this request is affirmative for Martin Gas or any of the Weinbergs, identify their interest and the period for which it was held.

7. Martin Gas's annual reports indicate that it incurred debt of \$24,000 in the form of Loans from Shareholders in 2003 and that this amount was reduced to \$12,200

by the end of 2005 and has remained at \$12,200 through the end of 2015. Describe the purpose(s) of these loans and identify the shareholder(s) who made the loans.

8. Its annual reports indicated that Martin Gas took out a loan of \$32,067 in 2013 from Community Trust Bank. Provide the term and the purpose of this loan.

9. Refer to KRS 278.020(5), which states in part that a person acquiring the utility must have the financial, technical, and managerial abilities to provide reasonable service. Explain how Zachery Weinberg meets the financial and technical abilities requirement of this statute.

10. Confirm that no change is anticipated to the operation of Martin Gas or to its tariffed rates and services in connection with the proposed stock transfer.

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