

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 (76) SHARES OF COMMON STOCK IN)	2016-00120
MARTIN GAS, INC. TO JED WILLIAM WEINBERG)	
AND ZACHARY COMBS WEINBERG)	

ORDER

On March 14, 2016, William Weinberg and Lois Weinberg filed an application for approval of the transfer of their 76 shares of stock in Martin Gas, Inc. ("Martin Gas") to Jed William Weinberg and Zachary Combs Weinberg pursuant to KRS 278.020 and 807 KAR 5:001. Martin Gas is a closely held, family-owned Kentucky corporation that distributes natural gas to approximately 430 customers within the city of Martin, Kentucky, and to certain areas of Knott and Perry counties.

KRS 278.020(5) provides that in order to acquire or transfer ownership or control of a utility, prior Commission approval must be obtained. Pursuant to that statute, the Commission shall grant its approval if the person acquiring the utility has the financial, technical, and managerial abilities to provide reasonable service. KRS 278.020(6) further provides that the Commission shall grant, modify, refuse, or prescribe appropriate terms and conditions with respect to the application.

After reviewing the evidence of record and being advised, the Commission finds that:

1. Martin Gas is a Kentucky corporation with its principal office in Hindman, Kentucky.

2. William and Lois Weinberg own the majority of the outstanding shares of stock in Martin Gas, a natural gas utility that is subject to the jurisdiction of the Commission.

3. The transfer of stock of Martin Gas is to be accomplished under the terms of a written purchase and sale agreement whereby, for nominal consideration, the 36 shares of capital stock of Martin Gas held by Lois Weinberg will be transferred equally to Jed Weinberg and to Zachary Weinberg, with each receiving 18 shares, and with Jed Weinberg and Zachary Weinberg each receiving 20 of the 40 shares of capital stock held by William Weinberg.

4. Before the proposed transfer, William Weinberg owned 40 shares of Martin Gas; Lois Weinberg owned 36 shares; and Jed Weinberg, Zachary Weinberg, and Tomas Weinberg each owned 8 shares. After the proposed transfer, Jed Weinberg will own 46 shares; Zachary Weinberg will own 46 shares; and Tomas Weinberg will own 8 shares.

5. The record in this proceeding reflects that Jed and Zachary Weinberg have been active in the management of Martin Gas for many years, and that they will continue to be involved in the day-to-day operations and management of Martin Gas after the proposed transfer. Zachary Weinberg has been the president of Martin Gas since 2011. From 2003–2010, Jed Weinberg served as president of Martin Gas. Both have been active in the natural gas business in eastern Kentucky for many years. The information filed with William and Lois Weinberg's application and in response to Staff data requests demonstrates that Jed and Zachary Weinberg possess the financial, managerial, and technical abilities to provide reasonable service.

The Commission finds that Jed and Zachary Weinberg have the financial, managerial, and technical abilities to provide reasonable service, and further finds that the proposed transaction will be made in accordance with the law, for a proper purpose, and consistent with the public interest. Consequently, the proposed transfer should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed transfer of the aforementioned stock in Martin Gas from William and Lois Weinberg to Jed and Zachary Weinberg is approved.

2. Commission authorization of the proposed transfer of stock of Martin Gas is effective for one year from the date of this Order and shall lapse if the acquisition is not completed within this period.

3. William and Lois Weinberg shall notify the Commission within ten days of the consummation of the stock transfer or, in the alternative, shall notify the Commission if the proposed transaction does not occur.

4. Martin Gas shall file within ten days of the transfer of its stock a list of its stockholders, the number of shares held by each, and a list of the corporate officers.

5. Any documents filed pursuant to ordering paragraphs 3 and 4 of this Order shall reference the number of this case and shall be retained in the utility's general correspondence file.

By the Commission

ENTERED
JUL 08 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Acting Executive Director

*Mr. Bill Weinberg
Martin Gas, Inc.
P. O. Box 783
Hindman, KY 41822

*Honorable Lois Weinberg
P. O. Drawer K
Hindman, KENTUCKY 41822

*Martin Gas, Inc.
P. O. Box 783
Hindman, KY 41822