

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MARTIN) CASE NO. 8730-N
GAS, INC.)

O R D E R

On May 9, 1983, the Commission issued its Order in Case No. 8730 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On March 20, 1985, the court-appointed receiver of Martin Gas, Inc., ("Martin") notified the Commission that it had overcollections due it customers and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Martin proposes to refund \$2,145 in overcollections due to the lag between the effective date of the rates approved in Case Nos. 8730-J and 8730-K and the dates of the initial billings.

(2) Martin proposes to refund \$2,145 to its customers by crediting its customer bills. The refund should begin with meter readings taken on June 1, 1985, or as soon as practical

thereafter. The refund factor should remain in effect for 4 months or until such time as the full amount, plus interest, has been returned to Martin's customers.

(3) Martin should refund the amount reported in its application, plus interest, at a rate equal to the average of the "3-month Commercial Paper Rates" for the immediately preceding 12-month period less 1/2 of 1 percent to cover the costs of refunding. These monthly rates are reported in the Federal Reserve Bulletin and the Federal Reserve Statistical Release.

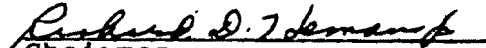
IT IS THEREFORE ORDERED that Martin shall refund \$2,145 to its customers by applying a credit to its customers' bills. The refund factor shall begin with meter readings taken June 1, 1985, or as soon as practical thereafter, and shall remain in effect until such time as necessary so that the total amount refunded will, as nearly as possible, reflect the amount received. The refund factor will terminate when the amount refunded equals the refund herein report, plus interest.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Martin shall file with this Commission its revised tariffs setting out the refund authorized herein. All other rates and charges shall remain in full force and effect.

IT IS FURTHER ORDERED that within 30 days from the date the refund factor is terminated, Martin shall file with this Commission a summary statement showing a reconciliation of customer billings and the amount refunded.

Done at Frankfort, Kentucky, this 31st day of May, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary