

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF MARTIN GAS,)
INC. FOR AN ADJUSTMENT OF RATES) CASE NO. 9291

O R D E R

On March 1, 1985, Martin Gas, Inc., ("Martin") filed its application for a rate adjustment pursuant to the Commission's alternative rate adjustment procedure for small utilities as set out in 807 KAR 5:076. The application was filed by Columbia Gas of Kentucky, Inc., which is acting as the court-appointed receiver of Martin. Martin asked for a deviation to file under this procedure because it has 403 customers or 3 more than the eligible number set out in the regulation. Martin stated that if the deviation was not allowed, it would have to refile under the general procedure rules which would significantly increase rate case expenses.

On March 8, 1985, Martin filed a Motion for an interim rate relief claiming that certain non-discretionary expenditures are necessary to ensure that its customers will continue to receive adequate service during the pendency of this case.

After review of the record, and being generally aware of Martin's financial conditions causing it to go into receivership, the Commission is of the opinion and finds the following:

(1) Martin's Motion for interim rate relief should be accepted and a hearing be held to cross-examine its witnesses on the reasonableness and necessity of the proposed rates.

(2) The regulation for alternative rate filing procedures for small utilities, 807 KAR 5:076, is intended to provide a simplified and less expensive procedure in applying for rate increases. The procedural review set out in the regulation is also designed to reduce the time from application to decision. The interim rate procedure is intended to do the same thing, but is processed under the general rate filing regulations set out in 807 KAR 5:001. Therefore, since the Motion for interim rates has been accepted, Martin's Motion to file its application under 807 KAR 5:076 should be denied and this case should be accepted, instead, under the general procedural rules to adjust rates.

(3) Martin's application should be accepted as being sufficient and in substantial compliance with the general procedural rules to adjust rates. Therefore, pursuant to 807 KAR 5:001 (13), Martin should be granted a deviation in the filing requirements set out in the general procedural rules to adjust rates.

IT IS THEREFORE ORDERED that Martin's rate filing of March 1 be and it hereby is sufficiently in compliance with the filing requirements set out in 807 KAR 5:001 (9).

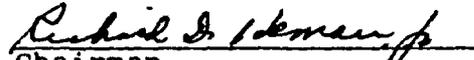
IT IS FURTHER ORDERED that Martin's Motion to file its application under 807 KAR 5:076 be and it hereby is denied.

IT IS FURTHER ORDERED that a hearing to consider the merits of Martin's interim rate request be and it hereby is scheduled for hearing on April 30, 1985, at 9:00 a.m., Eastern Daylight Time, in the Commission's offices, Frankfort, Kentucky.

IT IS FURTHER ORDERED that Martin Gas shall give notice of the hearing in accordance with the provisions of 807 KAR 5:011, Section 8 (5).

Done at Frankfort, Kentucky, this 26th day of March, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary