

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MARTIN)
GAS, INC.) CASE NO. 10204-D

O R D E R

On September 16, 1988, the Commission issued its Order in Case No. 10204 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 9, 1990, Martin Gas, Inc. ("Martin"), notified the Commission that its wholesale cost of gas had been decreased by its supplier, Columbia Gas of Kentucky, Inc. ("Columbia"), effective March 1, 1990, 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 otherwise sufficiently advised, the Commission finds that:

(1) Martin's notice of March 9, 1990 set out certain revisions in rates which Martin proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier.

(2) Martin incorrectly calculated its proposed adjustment using a base rate for Columbia purchases of \$3.7760 per Mcf. Columbia's base rate for calculating Martin's adjustment should be \$3.7776.¹

(3) The rates in the Appendix to this Order are designed to pass on the wholesale decrease in price in the amount of \$2,260 or 5.13 cents per Mcf. The effective date for the decrease should be on and after March 1, 1990.

(4) The corrected adjustment in Martin's rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 10204 dated September 16, 1988 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after March 1, 1990.

IT IS THEREFORE ORDERED that:

(1) The rates proposed by Martin are denied.

(2) The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after March 1, 1990.


(3) Within 30 days of the date of this Order, Martin shall file with this Commission its revised tariffs setting out the rates authorized herein.

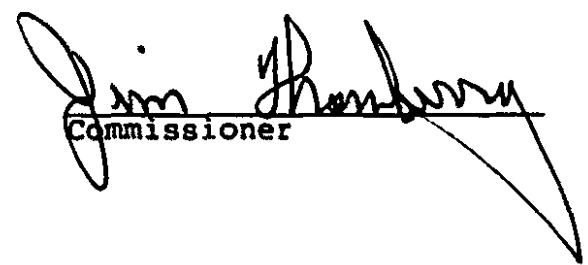
¹ Case No. 10204-C, Notice of Purchased Gas Adjustment Filing of Martin Gas, Inc., Order dated November 20, 1989.

Done at Frankfort, Kentucky, this 28th day of March, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 10204-D DATED 3/28/90

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 this Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf	\$6.60	Per Mcf
Over 1 Mcf	\$6.4797	Per Mcf

Minimum Bill

The minimum bill shall be \$6.60
Temporary Surcharge \$3.12

The base rate for the future application of the purchased gas adjustment clause of Martin Gas, Inc. shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$3.7108 per Mcf
Southeastern Gas Company	\$0.140 per Mcf