

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MARTIN GAS, INC.)
FOR APPROVAL OF INDEBTEDNESS) CASE NO. 90-017
PURSUANT TO KRS 278.300)

O R D E R

On January 26, 1990, Martin Gas, Inc. ("Martin") filed its application seeking approval to borrow \$70,000 from the Bank of Hindman, Hindman, Kentucky. The loan will be used to settle in full a judgement of Floyd Circuit Court against Martin in the amount of \$102,968.49 resulting from Civil Action No. 83-CI-392, Columbia Gas of Kentucky v. Martin Gas, et al.

On February 15, 1990, the Executive Director sent a letter to Martin requesting that certain deficiencies in Martin's filing be cured. On March 2, 1990, Martin filed the requested information to cure the deficiencies.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that the assumption of indebtedness by Martin in the amount of \$70,000 is for lawful objects within its corporate purposes, is necessary and appropriate for and consistent with the proper performance of its service to the public, and will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purposes, and should therefore be approved.

IT IS THEREFORE ORDERED that:

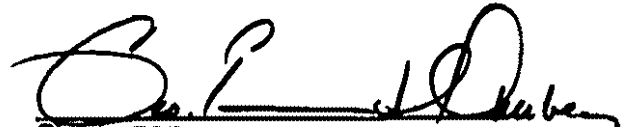
1. Martin be and it hereby is authorized to incur indebtedness in the amount of \$70,000 from the Bank of Hindman at an interest rate of 10 percent per annum for sixty months.

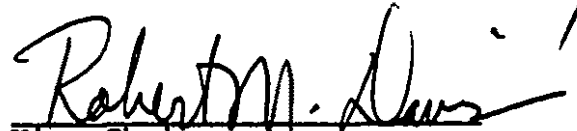
2. Martin shall agree only to such terms and prices that are consistent with said parameters as set out in its application.

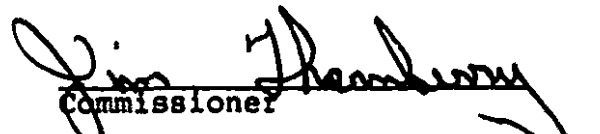
Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 2nd day of May, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director