

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO. 2013-00320
FILING OF MARTIN GAS, INC.)

ORDER

On September 30, 1991, in Case No. 1990-00402, the Commission approved certain adjusted rates for Martin Gas, Inc. ("Martin").¹ In November 2004, Martin proposed and the Commission approved changes to its tariff that included, among other items, changes to its Gas Cost Adjustment ("GCA") clause. Those changes updated the methodology of calculating the components of the GCA.

On August 26, 2013, Martin filed a GCA for rates to be effective October 1, 2013.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Martin's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Martin's notice sets out an Expected Gas Cost ("EGC") of \$5.0220 per Mcf, which represents a decrease of \$.0082 from its prior EGC of 5.0302 per Mcf.
3. Martin's notice sets out no Refund Adjustment ("RA") for the current quarter and no total RA, which is no change from the prior total RA.

¹ Case No. 1990-00402, In the Matter of Application of Martin Gas, Inc. for Authority to Adjust Rates and to Extend Current Surcharge (Ky. PSC Sept. 30, 1991).

4. Martin's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0391) per Mcf. Martin erroneously included its second and third previous quarter adjustments as positive instead of negative adjustments. Correcting this produces a total AA of (\$.1079) per Mcf, representing a decrease of \$.1193 per Mcf from the previous quarter total AA of \$.0114 per Mcf.

5. Martin's previous total AA calculation in Case No. 2013-00247² also incorrectly set out its previous quarter AAs as \$.0112 instead of (\$.0112); \$.0159 instead of (\$.0159); and \$.0260 instead of (\$.0260). In Martin's application for rates effective January 1, 2014, it should provide Mcf sales for the months July, August, and September 2013, so that the impact of the rate error can be reconciled through Martin's AA.

6. Martin's notice sets out no Balance Adjustment.

7. Martin's GCA is \$4.9141 per Mcf, which is a decrease of \$.1275 per Mcf from its previous rate of \$5.0416 per Mcf.

8. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Martin on and after October 1, 2013.

IT IS THEREFORE ORDERED that:

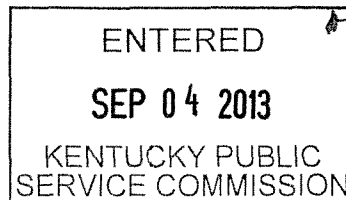
1. The rate proposed by Martin is denied.
2. The rate in the Appendix attached hereto and incorporated herein is approved for service rendered on and after October 1, 2013.

² Case No. 2013-00247, Purchased Gas Adjustment Filing of Martin Gas, Inc. (Ky. PSC July 19, 2013).

3. Martin's next GCA application shall include its Mcf sales volume for the months July through September as more fully explained above.

4. Within 20 days of the date of this Order, Martin shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00320 DATED **SEP 04 2013**

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 the Commission prior to the effective date of this Order.

RETAIL RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First Mcf	\$4.3976	\$4.9141	\$9.3117
Over 1 Mcf	\$4.2808	\$4.9141	\$9.1949
Minimum Bill	\$9.3117		

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