

**Martin Gas Inc.
P.O. Box 783
Hindman, KY 41822**

August 14, 2015

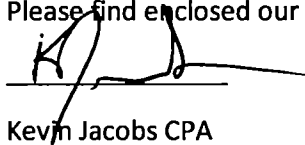
Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615

RECEIVED

AUG 20 2015
PUBLIC SERVICE
COMMISSION

Dear Mr. Derouen:

Please find enclosed our Quarterly Report of Gas Cost Recovery Rate Calculations and 10 copies.



Kevin Jacobs CPA

Martin Gas Inc.

APPENDIX B

Page 1

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed:

September 1 ,2015

Date Rates to Be Effective:

October 1 2015

Reporting Period is Calendar Quarter Ended:

June 30 2015

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Componet</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	5.3022
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	-0.2395
+ <u>Balance Adjustment (BA)</u>	\$/Mcf	0.000000
= Gas Cost Recovery Rate (GCR)		5.0627

GCR to be effective for service rendered from October 1 2015 to December 31 2015

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	182139.58
	+ <u>Sales for the 12 months ended</u> 6/30/2015	Mcf	<u>34352</u>
	= Expected Gas Cost (ECG)	\$/Mcf	5.3022

B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (SHC. III)	\$/Mcf	
	+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	
	+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
	+ <u>Third Previous Quarter Supplier Refund Adjustment</u>	\$/Mcf	
	= Refund Adjustment (RA)	\$/Mcf	

C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(0.0587)
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.1164)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0529)
	+ <u>Third Previous Quarter Reported Actual Adjustment</u>	\$/Mcf	(0.0115)
	= Actual Adjustment (AA)	\$/Mcf	(0.2395)

C.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	0.0000
	+ Previous Quarter Reported Balance Adjustment	\$/Mcf	0
	+ Second Previous Quarter Balance Adjustment	\$/Mcf	0
	+ <u>Third Previous Quarter Balance Adjustment</u>	\$/Mcf	0
	= Balance Adjustment (BA)	\$/Mcf	0.0000

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended 06-30-15

Supplier	Date	MCF	Rate	Cost
	7/31/2014	2222.34	5.0215	11159.52
	8/31/2014	577.76	5.0984	2945.65
	9/30/2014	2469.86	5.0000	12349.32
	10/31/2014	3180.44	5.0349	16013.24
	11/30/2014	4852.37	5.0000	24261.83
	12/31/2014	4458.82	5.0000	22294.12
	1/31/2015	7478.48	5.0998	38138.73
	2/28/2015	2878.27	5.0000	14391.33
	3/31/2015	3608.37	5.1345	18527.08
	4/30/2015	1810.12	4.9999	9050.46
	5/31/2015	1245.93	5.0000	6229.67
	6/30/2015	1355.73	5.0000	6778.63
Totals		36138.49	5.0400	182139.58

Line loss for 12 months ended 06-30-15 is -0.04943 based on purchases of
36138.49 Mcf and sales of 34352.00 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	182139.58
+ Mcf Purchases (4)	Mcf	36138.49
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.0400
X Allowable Mcf Purchases (must not exceed Mcf sales + .95	Mcf	36138.49
= Total Expected Gas Cost (to Schedule IA)	\$	182139.58

* Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

**Supplier's tariff sheets or notices are attached.

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended March 31 2015

<u>Particulars</u>	<u>Unit</u>	Month 1 1/31/2015	Month 2 2/28/2015	Month 3 3/31/2015
Total Supply Volumes Purchased	Mcf	7519.30	4304.39	2181.26
Total Cost of Volumes Purchased	\$	38138.73	22012.10	10906.33
+ Total Sales	Mcf	7519.30	4304.39	2181.26
(may not be less than 95% of supply volumes)				
= Unit Cost of Gas	\$/Mcf	5.0721	5.1139	5.0000
- EGC in effect for month	\$/Mcf	5.2176	5.2176	5.2176
= Difference	\$/Mcf	-0.1455	-0.10373	-0.21759
[(over-)/Under-Recovery]				
x Actual sales during month	Mcf	<u>7519.30</u>	<u>4304.39</u>	<u>2181.26</u>
= Monthly cost difference	\$	-1093.97	-446.49	-474.61

	Unit	Amount
Total cost difference (Month 1 + Month 2 + Month 3)	\$	-2015.07
+ <u>Sales for 12 months ended</u> 06-30-15	Mcf	34352.00
= Actual Adjustment for the Reporting Period (to Schedule C)	\$/Mcf	(0.0587)