

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MARTIN GAS, INC. FOR)	
RATE ADJUSTMENT FOR SMALL UTILITIES)	CASE NO.
PURSUANT TO 807 KAR 5:076)	2016-00332

ORDER

By Order entered April 6, 2017, the Commission directed Martin Gas, Inc. (“Martin”) to, among other things, refund over a 12-month period \$15,601 that Martin overcharged customers. The case was closed when the April 6, 2017 Order was entered. By letter received on April 5, 2018, Martin requested Commission guidance on reimbursing the remaining balance of \$536.45. The Commission will treat Martin’s letter as a motion to reopen this case to modify the April 6, 2017 Order concerning the refund methodology.

Martin explained that, as directed by the Commission, it has been refunding to its customers \$3.01 with each billing cycle. If Martin based the final billing credit on the \$3.01 approved by the Commission, the refund would exceed the remaining balance due to customers. In seeking the Commission’s guidance regarding the distribution of the remaining \$536.45, Martin proposed two options: 1) arbitrarily choose 178 of its 419 customers to receive a \$3.01 billing credit; or 2) pay the Commission the \$536.45.

The Commission finds that this case should be reopened to modify the refund methodology established in the April 6, 2017 Order. Based upon the motion and being otherwise sufficiently advised, the Commission finds that the options proposed by

Martin regarding the distribution of the remaining balance should be denied. If to avoid over refunding the balance, Martin arbitrarily chose which customers receive the \$3.01 bill credit, it would improperly advantage certain customers. KRS 278.170 prohibits such rate discrimination. Further, there is no basis set forth in KRS Chapter 278 for Martin to tender a voluntary payment to the Commission. The Commission finds that Martin should implement the final bill-credit refund by dividing the remaining balance of \$536.45 by its 419 customer accounts. This method is reasonable and provides an equitable resolution to avoid over refunding the remaining balance of past overcharges.

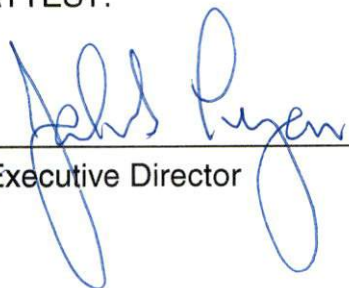
IT IS THEREFORE ORDERED that:

1. Martin's motion to reopen the case to modify the April 6, 2017 Order is granted.
2. The refund options proposed by Martin as set forth in its motion are denied.
3. Martin shall implement a one-month bill credit that refunds \$536.45 in equal amounts to Martin's 419 customer accounts.
4. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:

For  _____
Executive Director

Case No. 2016-00332

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