

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

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MAY 28 2019

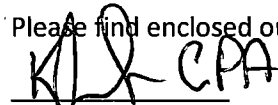
**PUBLIC SERVICE
COMMISSION**

May 23, 2019

Mrs. Gwen R. Pinson
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort KY 40602-0615

Mrs. Pinson:

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

A handwritten signature in black ink, appearing to read "KJ CPA", is written over a horizontal line.

Kevin Jacobs CPA

Martin Gas Inc.

APPENDIX B

Page 1

Quarterly Report of Gas Cost
Recovery Rate Calculation

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MAY 28 2019

PUBLIC SERVICE
COMMISSION

Date Filed:

June 1, 2019

Date Rates to Be Effective:

July 1, 2019

Reporting Period is Calendar Quarter Ended:

March 31, 2019

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Componet</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	5.1906
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	-0.2329
+ <u>Balance Adjustment (BA)</u>	\$/Mcf	0.000000
= Gas Cost Recovery Rate (GCR)		4.9578

GCR to be effective for service rendered from July 1 2019 to September 30 2019

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	197134.81
	+ <u>Sales for the 12 months ended</u> <u>3/31/2019</u>	Mcf	<u>37979</u>
	= Expected Gas Cost (ECG)	\$/Mcf	5.1906
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	(0.0400)
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0385)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0332)
	+ <u>Third Previous Quarter Reported Actual Adjustment</u>	\$/Mcf	(0.1212)
	= Actual Adjustment (AA)	\$/Mcf	(0.2329)
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	<u>0.0000</u>

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended 3-31-19

<u>Supplier</u>	<u>Date</u>	<u>MCF</u>	<u>Rate</u>	<u>Cost</u>
	4/30/2018	5989.24	5.0828	30442.38
	5/31/2018	1357.11	5.1372	6971.81
	6/30/2018	1171.22	4.9230	5765.93
	7/31/2018	1362.24	4.7395	6456.31
	8/31/2018	1251.67	4.6751	5851.69
	9/30/2018	1426.69	4.7231	6738.44
	10/31/2018	2599.64	4.6929	12199.95
	11/30/2018	5269.98	5.2316	27570.58
	12/31/2018	4885.83	5.0531	24688.37
	1/31/2019	4441.00	4.9843	22135.13
	2/28/2019	4682.31	5.0583	23684.30
	3/31/2019	4688.88	5.2528	24629.92
Totals		39125.81	5.0385	197134.81

Line loss for 12 months ended 3/31/2019 -2.9311% based on purchases of 39125.81 Mcf and sales of 37979.00 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	197134.81
+ Mcf Purchases (4)	Mcf	<u>39125.81</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.0385
<u>X Allowable Mcf Purchases (must not exceed Mcf sales + .95</u>	Mcf	<u>39125.81</u>
= Total Expected Gas Cost (to Schedule IA)	\$	197134.81

* 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 **December 31 2018**

<u>Particulars</u>	<u>Unit</u>	Month 1	Month 2	Month 3
		10/31/2018	11/30/2018	12/31/2018
Total Supply Volumes Purchased	Mcf	2599.64	5269.98	4885.83
Total Cost of Volumes Purchased	\$	12199.95	27570.58	24688.37
+ Total Sales (may not be less than 95% of supply volumes)	Mcf	2599.64	5269.98	4885.83
<hr/>				
= Unit Cost of Gas	\$/Mcf	4.6929	5.2316	5.0531
- EGC in effect for month	\$/Mcf	5.1724	5.1724	5.1724
= Difference [(over-)/Under-Recovery]	\$/Mcf	-0.4795	0.05923	-0.11934
<hr/>				
x Actual sales during month	Mcf	2599.64	5269.98	4885.83
= Monthly cost difference	\$	-1246.43	312.14	-583.10
		Unit	Amount	
Total cost difference (Month 1 + Month 2 + Month 3)		\$	-1517.39	
<u>+ Sales for 12 months ended</u> 3/31/2019		Mcf	37979.00	
= Actual Adjustment for the Reporting Period (to Schedule C)		\$/Mcf	(0.0400)	