

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

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SEP 03 2019

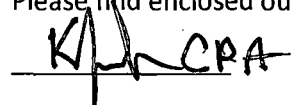
**PUBLIC SERVICE
COMMISSION**

August 27, 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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Date Filed: September 1, 2019

SEP 03 2019

PUBLIC SERVICE
COMMISSION

Date Rates to Be Effective: October 1 2019

Reporting Period is Calendar Quarter Ended:

June 30 2019

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	5.2066
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	0.4643
+ <u>Balance Adjustment (BA)</u>	\$/Mcf	0.000000
= Gas Cost Recovery Rate (GCR)		5.6710

GCR to be effective for service rendered from October 1 2019 to December 31 2019

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	179332.55
	+ <u>Sales for the 12 months ended</u> 6/30/2019	Mcf	<u>34443</u>
	= Expected Gas Cost (ECG)	\$/Mcf	5.2066
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	0.5760
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0400)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0385)
	+ <u>Third Previous Quarter Reported Actual Adjustment</u>	\$/Mcf	(0.0332)
	= Actual Adjustment (AA)	\$/Mcf	0.4643
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 6-30-19

<u>Supplier</u>	<u>Date</u>	<u>MCF</u>	<u>Rate</u>	<u>Cost</u>
	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
	4/30/2019	1725.00	5.3548	9237.07
	5/31/2019	1804.00	4.9258	8886.11
	6/30/2019	1452.00	4.9963	7254.68
Totals		35589.24	5.0390	179332.55

Line loss for 12 months ended 6/30/2019 -3.2207% based on purchases of
35589.24 Mcf and sales of 34443.00 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	179332.55
+ <u>Mcf Purchases (4)</u>	Mcf	<u>35589.24</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.0390
<u>X Allowable Mcf Purchases (must not exceed Mcf sales + .95</u>	Mcf	<u>35589.24</u>
= Total Expected Gas Cost (to Schedule IA)	\$	179332.55

* 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 2019

<u>Particulars</u>	<u>Unit</u>	Month 1	Month 2	Month 3
		1/31/2019	2/28/2019	3/31/2019
Total Supply Volumes Purchased	Mcf	441.00	4682.31	4688.88
Total Cost of Volumes Purchased	\$	22135.13	23684.30	24629.92
+ Total Sales (may not be less than 95% of supply volumes)	Mcf	441.00	4682.31	4688.88
<hr/>				
= Unit Cost of Gas	\$/Mcf	50.1930	5.0583	5.2528
- EGC in effect for month	\$/Mcf	5.1578	5.1578	5.1578
= Difference [(over-)/Under-Recovery]	\$/Mcf	45.0352	-0.09955	0.09504
<u>x Actual sales during month</u>	Mcf	<u>441.00</u>	<u>4682.31</u>	<u>4688.88</u>
<u>= Monthly cost difference</u>	\$	19860.54	-466.12	445.61
Total cost difference (Month 1 + Month 2 + Month 3)	Unit			Amount
	\$			19840.04
<u>+ Sales for 12 months ended 6/30/2019</u>	Mcf			34443.00
= Actual Adjustment for the Reporting Period (to Schedule C)	\$/Mcf			0.5760