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PUBLIC SERVICE
COMMISSION

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

November 20, 2019

Mrs. Gwen R. Pinson

Executive Director

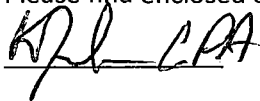
Kentucky Public Service Commission

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 "KJL 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:

December 1, 2019

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Date Rates to Be Effective:

January 1 2020

Reporting Period is Calendar Quarter Ended:

September 30 2019

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Componet</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	5.2278
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	-0.1115
+ <u>Balance Adjustment (BA)</u>	\$/Mcf	0.000000
= Gas Cost Recovery Rate (GCR)		5.1163

GCR to be effective for service rendered from January 1 2020 to March 31 2020

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	176178.13
	+ <u>Sales for the 12 months ended</u> 9/30/2019	Mcf	<u>33700</u>
	= Expected Gas Cost (ECG)	\$/Mcf	5.2278
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	(0.0100)
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0230)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0400)
	+ <u>Third Previous Quarter Reported Actual Adjustment</u>	\$/Mcf	(0.0385)
	= Actual Adjustment (AA)	\$/Mcf	(0.1115)
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 9-30-19

<u>Supplier</u>	<u>Date</u>	<u>MCF</u>	<u>Rate</u>	<u>Cost</u>
	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
	7/31/2019	1505.00	4.8930	7363.95
	8/31/2019	611.18	4.9482	3024.24
	9/30/2019	1127.00	4.8836	5503.83

Totals 34791.82 5.0638 176178.13

Line loss for 12 months ended 9/30/2019 -3.1382% based on purchases of
34791.82 Mcf and sales of 33700.00 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	176178.13
+ Mcf Purchases (4)	Mcf	<u>34791.82</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.0638
<u>X Allowable Mcf Purchases (must not exceed Mcf sales + .95</u>	Mcf	<u>34791.82</u>
= Total Expected Gas Cost (to Schedule IA)	\$	176178.13

* 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 June 30 2019

<u>Particulars</u>	<u>Unit</u>	Month 1 4/30/2019	Month 2 5/31/2019	Month 3 6/30/2019
Total Supply Volumes Purchased	Mcf	1725.00	1804.00	1452.00
Total Cost of Volumes Purchased	\$	9237.07	8886.11	7254.68
+ Total Sales	Mcf	1725.00	1804.00	1452.00
(may not be less than 95% of supply volumes)				
= Unit Cost of Gas	\$/Mcf	5.3548	4.9258	4.9963
- EGC in effect for month	\$/Mcf	5.1629	5.1629	5.1629
= Difference	\$/Mcf	0.1919	-0.23712	-0.16656
[(over-)/Under-Recovery]				
x Actual sales during month	Mcf	<u>1725.00</u>	<u>1804</u>	<u>1452</u>
= Monthly cost difference	\$	331.07	-427.76	-241.85

	Unit	Amount
Total cost difference (Month 1 + Month 2 + Month 3)	\$	-338.54
+ Sales for 12 months ended 9/30/2019	Mcf	33700.00
= Actual Adjustment for the Reporting Period (to Schedule C)	\$/Mcf	(0.0100)