

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

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MAR 02 2020

PUBLIC SERVICE
COMMISSION

February 28, 2020

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.


Kevin Jacobs CPA

Kevin Jacobs CPA

Martin Gas Inc.

APPENDIX B

Page 1

Quarterly Report of Gas Cost
Recovery Rate Calculation

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Date Filed: March 1, 2020

Date Rates to Be Effective: April 1 2020

Reporting Period is Calendar Quarter Ended:

December 31 2019

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SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Componet</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	5.1223
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	-0.1046
+ Balance Adjustment (BA)	\$/Mcf	0.000000
= Gas Cost Recovery Rate (GCR)		5.0177

GCR to be effective for service rendered from April 1 2020 to June 30 2020

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	152647.08
	+ Sales for the 12 months ended 12/31/2019	Mcf	<u>29800.44</u>
	= Expected Gas Cost (ECG)	\$/Mcf	5.1223
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	(0.0316)
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0100)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0230)
	+ <u>Third Previous Quarter Reported Actual Adjustment</u>	\$/Mcf	(0.0400)
	= Actual Adjustment (AA)	\$/Mcf	(0.1046)
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 12-31-19

<u>Supplier</u>	<u>Date</u>	<u>MCF</u>	<u>Rate</u>	<u>Cost</u>
	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
	10/31/2019	1314.00	4.9002	6438.83
	11/30/2019	3233.07	4.5318	14651.74
	12/31/2019	4023.00	4.9310	19837.28
Totals		30606.44	4.9874	152647.08

Line loss for 12 months ended 12/31/2019 -2.6334% based on purchases of
30606.44 Mcf and sales of 29800.44 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	152647.08
+ Mcf Purchases (4)	Mcf	<u>30606.44</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	4.9874
X Allowable Mcf Purchases (must not exceed Mcf sales + .95)	Mcf	<u>30606.44</u>
= Total Expected Gas Cost (to Schedule IA)	\$	152647.08

* 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 September 30 2019

<u>Particulars</u>	<u>Unit</u>	Month 1	Month 2	Month 3
		<u>7/31/2019</u>	<u>8/30/2009</u>	<u>9/30/2019</u>
Total Supply Volumes Purchased	Mcf	1505.00	611.18	1127.00
Total Cost of Volumes Purchased	\$	7363.95	3024.24	5503.83
+ Total Sales (may not be less than 95% of supply volumes)	Mcf	1505.00	611.18	1127.00
<hr/>				
= Unit Cost of Gas	\$/Mcf	4.8930	4.9482	4.8836
- EGC in effect for month	\$/Mcf	5.1906	5.1906	5.1906
= Difference [(over-)/Under-Recovery]	\$/Mcf	-0.2976	-0.24240	-0.30699
<hr/>				
x Actual sales during month	Mcf	<u>1505.00</u>	<u>611.18</u>	<u>1127</u>
= Monthly cost difference	\$	-447.90	-148.15	-345.98

	Unit	Amount
Total cost difference (Month 1 + Month 2 + Month 3)	\$	-942.03
+ Sales for 12 months ended <u>12/31/2019</u>	Mcf	29800.44
= Actual Adjustment for the Reporting Period (to Schedule C)	\$/Mcf	(0.0316)