

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)	CASE NO.
ADJUSTMENT FILING OF MARTIN GAS,)	2022-00059
INC.)	

ORDER

On February 25, 2022, Martin Gas, Inc. (Martin) filed its proposed Gas Cost Recovery (GCR) rate report to be effective April 1, 2022. Martin's previous GCR rate was approved in Case No. 2021-00449.¹

The Commission's standard of review for GCR rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.²

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

¹ Case No. 2021-00449, *Electronic Purchased Gas Adjustment Filing of Martin Gas, Inc.* (Ky. PSC Dec. 16, 2021).

² KRS 278.274(2), KRS 278.274(3)(c), and KRS 278.274(3)(d).

1. Martin's report includes revised rates designed to pass on to its customers its expected change in gas costs.

2. Martin's report sets out an Expected Gas Cost (EGC) of \$5.5778 per Mcf, which is an increase of \$0.5124 per Mcf from its previous EGC of \$5.0654 per Mcf.

3. Martin's report sets out no supplier Refund Adjustment.

4. Martin's report sets out a current quarter Actual Adjustment (AA) of \$0.5032 per Mcf. Martin's total AA is \$0.6098 per Mcf, which is an increase of \$0.5106 per Mcf from their previous total AA of \$0.0992 per Mcf.

5. Martin's report sets out a current quarter Balance Adjustment (BA) of \$0.0023 per Mcf. Martin's total BA is (\$0.0154) per Mcf, which is an increase of \$0.0053 per Mcf from its previous total BA of (\$0.0207) per Mcf.

6. Martin's GCR rate is \$6.1722 per Mcf, which is an increase of \$1.0283 per Mcf from the previous GCR rate of \$5.1439 per Mcf.

7. The rates set forth in the Appendix to this Order are fair, just and reasonable and are approved for service rendered by Martin on and after April 1, 2022.

8. Should Martin purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount must be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Martin and set forth in the Appendix to this Order are approved for service rendered on and after April 1, 2022.

2. Within 20 days of the date of entry of this Order, Martin shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets

setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

3. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman

Commissioner



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2022-00059 DATED MAR 30 2022

The following rates and charges are prescribed for the customers in the area served by Martin Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of this Commission prior to the effective date of this Order.

Retail Rates

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
All Mcf	\$ 4.9946	\$6.1722	\$ 11.1668

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