

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MARTIN) CASE NO. 9550-E
GAS, INC.)

INTERIM ORDER

On October 10, 1986, the Commission issued its Order in Case No. 9550 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On August 10, 1988, the court-appointed receiver of Martin Gas, Inc. ("Martin"), notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc. ("Columbia"), effective September 1, 1988, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Martin's notice of August 10, 1988 set out certain revisions in rates which Martin proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier. The decrease in price from Columbia included an adjustment for a fixed charge recovery for contract reformation and take-or-pay costs from Columbia's suppliers which

have not been approved by the Commission. This adjustment understated the overall decrease in rates by 7.92 cents per Mcf. Therefore, the wholesale decrease in price from Columbia to Martin is \$4,705 or 9.67 cents per Mcf.

(2) At such time when Columbia's fixed charge recovery for contract reformation and take-or-pay costs are approved, the Commission will issue an Order reflecting the revised rates.

(3) Martin's wholesale cost of gas was decreased by Columbia effective September 1, 1988.

(4) Martin's corrected adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9550 dated October 10, 1986 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after September 1, 1988.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 1, 1988.

(2) Within 30 days of the date of this Order, Martin shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 1st day of September, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Hemmery
Chairman

Robert M. Davis
Vice Chairman

Spencer N. Williams
Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9550-E DATED 9/1/88

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

RATES: Monthly

First 1 Mcf	\$5.52 Per Mcf
Over 1 Mcf	\$5.42 Per Mcf

Minimum Bill

The minimum bill shall be \$5.52

Temporary Surcharge \$3.12

The base rate for the future application of the purchased gas adjustment clause of Martin Gas, Inc., shall be:

Commodity

Columbia Gas of Kentucky, Inc.	\$3.4807 per Mcf
Southeastern Gas Company	\$0.140 per Mcf