

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

August 20, 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

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: September 1 ,2020

Date Rates to Be Effective: October 1 2020

Reporting Period is Calendar Quarter Ended:

June 30 2020

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Componet</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	4.9549
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	-0.3481
<u>+ Balance Adjustment (BA)</u>	<u>\$/Mcf</u>	<u>0.000000</u>
= Gas Cost Recovery Rate (GCR)		4.6068

GCR to be effective for service rendered from October 1 2020 to December 31 2020

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	132460.60
	<u>+ Sales for the 12 months ended</u> 6/30/2020	Mcf	<u>26733.44</u>
	= Expected Gas Cost (ECG)	\$/Mcf	4.9549
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>	<u>\$/Mcf</u>	
	= 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	(0.1692)
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.1373)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(0.0316)
	<u>+ Third Previous Quarter Reported Actual Adjustment</u>	<u>\$/Mcf</u>	<u>(0.0100)</u>
	= Actual Adjustment (AA)	\$/Mcf	(0.3481)
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>	<u>\$/Mcf</u>	<u>0</u>
	= Balance Adjustment (BA)	\$/Mcf	0.0000

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended 6-30-20

Supplier	Date	MCF	Rate	Cost
	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	5503.85
	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
	1/31/2020	4738.00	4.8936	23185.95
	2/29/2020	3532.00	4.6538	16437.36
	3/31/2020	2642.00	4.8828	12900.24
	4/30/2020	2143.00	4.8072	10301.93
	5/31/2020	1823.00	4.8445	8831.54
	6/30/2020	848.00	4.6978	3983.71

Totals		27539.25	4.8099	132460.60
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Line loss for 12 months ended	6/30/2020	-2.9260%	based on purchases of
<u>27539.25</u> Mcf and sales of	26733.44 Mcf.		

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	132460.60
+ Mcf Purchases (4)	Mcf	<u>27539.25</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	4.8099
X Allowable Mcf Purchases (must not exceed Mcf sales + .95	Mcf	<u>27539.25</u>
= Total Expected Gas Cost (to Schedule IA)	\$	132460.60

* 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 2020

<u>Particulars</u>	<u>Unit</u>	Month 1	Month 2	Month 3
		<u>1/31/2020</u>	<u>2/29/2020</u>	<u>03/31/2020</u>
Total Supply Volumes Purchased	Mcf	4738.00	3532.00	2642.00
Total Cost of Volumes Purchased	\$	23185.95	16437.36	12900.24
+ Total Sales	Mcf	4738.00	3532.00	2642.00
(may not be less than 95% of supply volumes)				
<u>= Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>4.8936</u>	<u>4.6538</u>	<u>4.8828</u>
<u>- EGC in effect for month</u>	<u>\$/Mcf</u>	<u>5.2278</u>	<u>5.2278</u>	<u>5.2278</u>
<u>= Difference</u>	<u>\$/Mcf</u>	<u>-0.3342</u>	<u>-0.57396</u>	<u>-0.34504</u>
<u>[(over-)/Under-Recovery]</u>				
<u>x Actual sales during month</u>	<u>Mcf</u>	<u>4738.00</u>	<u>3532</u>	<u>2642</u>
<u>= Monthly cost difference</u>	<u>\$</u>	<u>-1583.37</u>	<u>-2027.23</u>	<u>-911.61</u>

	Unit	Amount
Total cost difference (Month 1 + Month 2 + Month 3)	\$	-4522.20
<u>+ Sales for 12 months ended</u> <u>6/30/2020</u>	Mcf	26733.44
= Actual Adjustment for the Reporting Period (to Schedule C)	\$/Mcf	(0.1692)