

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

December 2, 2020

Mrs. Gwen R. Pinson

Executive Director

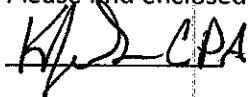
Kentucky Public Service Commission

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:

December 1 ,2020

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Date Rates to Be Effective:

January 1 2021

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Reporting Period is Calendar Quarter Ended:

September 30 2020

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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      | 4.9252        |
| + Refund Adjustment (RA)         | \$/Mcf      |               |
| + Actual Adjustment (AA)         | \$/Mcf      | -0.3951       |
| + <u>Balance Adjustment (BA)</u> | \$/Mcf      | 0.000000      |
| = Gas Cost Recovery Rate (GCR)   |             | 4.5301        |

GCR to be effective for service rendered from January 1 2021 to March 31 2021

| A. | <u>EXPECTED GAS COST CALCULATION</u>                       | <u>Unit</u> | <u>Amount</u>   |
|----|--|-------------|-----------------|
|    | Total Expected Gas Cost (Schedule II)                      | \$          | 133222.97       |
|    | + <u>Sales for the 12 months ended</u> 9/30/2020           | Mcf         | <u>27049.44</u> |
|    | = Expected Gas Cost (ECG)                                  | \$/Mcf      | 4.9252          |
| 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      | (0.0570)        |
|    | + Previous Quarter Reported Actual Adjustment              | \$/Mcf      | (0.1692)        |
|    | + Second Previous Quarter Reported Actual Adjustment       | \$/Mcf      | (0.1373)        |
|    | + <u>Third Previous Quarter Reported Actual Adjustment</u> | \$/Mcf      | (0.0316)        |
|    | = Actual Adjustment (AA)                                   | \$/Mcf      | (0.3951)        |
| 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 9-30-20

| Supplier | Date       | MCF     | Rate   | Cost     |
|----------|------------|---------|--------|----------|
|          | 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  |
|          | 7/31/2020  | 976.00  | 4.6393 | 4527.99  |
|          | 8/31/2020  | 1217.00 | 5.0178 | 6106.69  |
|          | 9/30/2020  | 1254.00 | 4.8004 | 6019.71  |

Totals 27743.07 4.8020 133222.97

Line loss for 12 months ended 9/30/2020 -2.5002% based on purchases of  
27743.07 Mcf and sales of 27049.44 Mcf.

|  | Unit   | Amount          |
|--|--------|-----------------|
| Total Expected Cost of Purchases (6)                       | \$     | 133222.97       |
| + Mcf Purchases (4)  | Mcf    | <u>27743.07</u> |
| = Average Expected Cost Per Mcf Purchased                  | \$/Mcf | 4.8020          |
| X Allowable Mcf Purchases (must not exceed Mcf sales + .95 | Mcf    | <u>27743.07</u> |
| = Total Expected Gas Cost (to Schedule IA)                 | \$     | 133222.97       |

\* 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 2020

| <u>Particulars</u>  | <u>Unit</u> | Month 1        | Month 2     | Month 3    |
|---|-------------|----------------|-------------|------------|
|   |             | 4/30/2020      | 5/31/2020   | 6/30/2020  |
| Total Supply Volumes Purchased                                | Mcf         | 2143.00        | 1823.00     | 848.00     |
| Total Cost of Volumes Purchased                               | \$          | 10301.93       | 8831.54     | 3983.71    |
| + Total Sales<br>(may not be less than 95% of supply volumes) | Mcf         | 2143.00        | 1823.00     | 848.00     |
| <hr/>   |             |                |             |            |
| = Unit Cost of Gas  | \$/Mcf      | 4.8072         | 4.8445      | 4.6978     |
| - EGC in effect for month                                     | \$/Mcf      | 5.1223         | 5.1223      | 5.1223     |
| = Difference<br>[(over-)/Under-Recovery]                      | \$/Mcf      | -0.3151        | -0.27779    | -0.42453   |
| <u>x Actual sales during month</u>                            | Mcf         | <u>2143.00</u> | <u>1823</u> | <u>848</u> |
| = <u>Monthly cost difference</u>                              | \$          | -675.16        | -506.41     | -360.00    |

|  | Unit   | Amount   |
|--|--------|----------|
| Total cost difference (Month 1 + Month 2 + Month 3)          | \$     | -1541.57 |
| + <u>Sales for 12 months ended</u> <u>9/30/2020</u>          | Mcf    | 27049.44 |
| = Actual Adjustment for the Reporting Period (to Schedule C) | \$/Mcf | (0.0570) |