

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO. 2009-00473
FILING OF MARTIN GAS, INC.)

ORDER

On September 30, 1991, in Case No. 1990-00402, the Commission approved certain adjusted rates for Martin Gas, Inc. ("Martin").¹ In November 2004, Martin proposed, and the Commission approved, changes to its tariff that included, among other items, changes to its Gas Cost Adjustment ("GCA") clause. Those changes updated the methodology of calculating the components of the GCA.

On December 3, 2009, Martin filed a GCA for rates to be effective January 1, 2010. Martin did not make its filing 30 days prior to the first day of its calendar quarter as required by its GCA tariff. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Martin's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Martin's notice sets out an Expected Gas Cost ("EGC") of \$5.0000 per Mcf, which represents no change from its prior EGC.
3. Martin's notice sets out no Refund Adjustment ("RA") for the current quarter and no total RA, which is no change from the prior total RA.

¹ Case No. 1990-00402, Application of Martin Gas, Inc. for Authority to Adjust Rates and to Extend Current Surcharge (Ky. PSC Sept. 30, 1991).

4. Martin's notice sets out a current quarter Actual Adjustment ("AA") of \$.0005 per Mcf. Martin miscalculated its total AA by failing to include the previous quarter approved AA of \$.0532 per Mcf in its calculation. Correcting for this produces a total AA of \$.0639 per Mcf, representing an increase of \$.0004 per Mcf from the previous quarter total AA of \$.0635 per Mcf.

5. Martin's notice sets out no Balance Adjustment.

6. Martin's GCA is \$5.0639 per Mcf, which is an increase of \$.0004 per Mcf from its previous rate of \$5.0635 per Mcf.

7. Martin's proposed effective date of January 1, 2010 should be denied pursuant to the filing requirement of its GCA tariff. The effective date should be January 2, 2010, which is 30 days from the date of the application.

8. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Martin on and after January 2, 2010.

IT IS THEREFORE ORDERED that:

1. Martin's proposed rates are denied.

2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after January 2, 2010.

3. Within 20 days of the date of this Order, Martin shall file with the Commission its revised tariff sheets setting out the rates authorized herein, reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED *ew*
DEC 22 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2009-00473

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00473 DATED **DEC 22 2009**

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 the Commission prior to the effective date of this Order.

RETAIL RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf	\$4.3976	\$5.0639	\$9.4615
Over 1 Mcf	\$4.2808	\$5.0639	\$9.3447
Minimum Bill	\$9.4615		

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