

Martin Gas Inc.

APPENDIX B

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Quarterly Report of Gas Cost  
Recovery Rate Calculation

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PUBLIC SERVICE  
COMMISSION

Date Filed:

June 1, 2010

2010-00220

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Date Rates to Be Effective:

JULY 1 2010

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Reporting Period is Calendar Quarter Ended:

March 31 2010

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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	5.0000
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	0.0153
+ <u>Balance Adjustment (BA)</u>	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		5.0153

GCR to be effective for service rendered from July 1 2010 to August 31 2010

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A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	200294.65
	+ <u>Sales for the 12 months ended</u> <u>03-31-10</u>	Mcf	<u>39403.12</u>
	= Expected Gas Cost (EGC)	\$/Mcf	5.0000

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	0.0037
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	0.0001
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0.0005
	+ <u>Third Previous Quarter Reported Actual Adjustment</u>	\$/Mcf	0.0110
	= Actual Adjustment (AA)	\$/Mcf	0.0153

C.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	
	+ Previous Quarter Reported Balance Adjustment	\$/Mcf	
	+ Second Previous Quarter Balance Adjustment	\$/Mcf	
	+ <u>Third Previous Quarter Balance Adjustment</u>	\$/Mcf	
	= Balance Adjustment (BA)	\$/Mcf	

## SCHEDULE II

## EXPECTED GAS COST

Actual \* MCF Purchases for 12 months ended 03-31-10

<u>Supplier</u>	<u>Date</u>	<u>MCF</u>	<u>Rate</u>	<u>Cost</u>
	4/31/2009	3426.71	4.95632	16983.87
	5/31/2009	1575.59	4.95415	7805.71
	6/30/2009	969.27	5.00892	4855.00
	7/31/2009	877.98	5.02099	4408.33
	8/31/2009	1054.00	5.00000	5270.00
	9/30/2009	1288.27	5.00088	6442.49
	10/31/2009	2025.88	5.04208	10214.64
	11/30/2009	3646.94	5.05091	18420.36
	12/31/2009	5296.84	5.08711	26945.61
	1/31/2010	7709.71	5.15872	39772.25
	02/28/2010	6954.24	5.12983	35674.09
	3/31/2010	4577.69	5.13410	23502.30
Totals		39403.12	5.083	200294.65

Line loss for 12 months ended 03-31-10 is -0.01178 based on purchases of  
39403.12 Mcf and sales of 38939.00 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	200294.65
<u>+ Mcf Purchases (4)</u>	Mcf	<u>39403.12</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.083
<u>X Allowable Mcf Purchases (must not exceed Mcf sales + .95</u>	Mcf	<u>39403.12</u>
= Total Expected Gas Cost (to Schedule IA)	\$	200294.65

\* 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 December 31 2009

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>10-31-09</u>	<u>Month 2</u> <u>11-30-09</u>	<u>Month 3</u> <u>12-31-09</u>
Total Supply Volumes Purchased	Mcf	2025.88	3646.94	5296.84
Total Cost of Volumes Purchased	\$	10214.64	18420.36	26945.61
+ Total Sales (may not be less than 95% of supply volumes)	Mcf	2025.88	3646.94	5296.84
= Unit Cost of Gas	\$/Mcf	5.04	5.05	5.09
- <u>EGC in effect for month</u>	\$/Mcf	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
= Difference <u>[(over-)/Under-Recovery]</u>	\$/Mcf	0.042	0.051	0.087
<u>x Actual sales during month</u>	Mcf	<u>2025.88</u>	<u>3646.94</u>	<u>5296.84</u>
<u>= Monthly cost difference</u>	\$	85.24	185.66	461.41

	Unit	Amount
Total cost difference (Month 1 + Month 2 + Month 3)	\$	732.31
<u>+ Sales for 12 months ended 03-31-10</u>	Mcf	200294.65
= Actual Adjustment for the Reporting Period (to Schedule C)	\$/Mcf	0.0036562