

PIKE COUNTY LIGHT & POWER COMPANY

COMPUTATION OF THE GAS COST RATE

EFFECTIVE: FOR SERVICE RENDERED ON AND AFTER
SEPTEMBER 1, 2005 BILLING

COMPUTATION PERIOD: TWELVE MONTHS ENDING WITH THE AUGUST 2006
CYCLE 20 BILLING

LINE NO.		FOR SERVICE RENDERED	
		BEFORE <u>9/1/05</u>	ON & AFTER <u>9/1/05</u>
1.	GAS COST RATE = ((C - E)/S) - B		
2.	C = PROJECTED COST OF GAS (SCHEDULE 2)	\$1,103,470	\$1,478,943
3.	S = PROJECTED SALES (MCF) (SCHEDULE 2)	132,900	141,100
4.	C/S	\$8.3030	\$10.4815
5.	SALES FOR USE IN CALCULATING THE "E" FACTOR (MCF)	132,900	141,100
6.	E = EXPERIENCED NET OVER/(UNDER) COLLECTION (SCHEDULE 6)	(\$25,736)	\$15,988
7.	E/S	(\$0.1937)	\$0.1133
8.	(C - E) / S	\$8.4967	\$10.3682
9.	B = BASE COST OF GAS PER MCF (SCHEDULE 12)	\$6.4906	\$7.4666
10.	((C - E) / S) - B	\$2.0061	\$2.9016
11.	GAS COST RATE (CENTS/CCF)	<u>20.0610</u>	<u>29.0160</u>