

PIKE COUNTY LIGHT & POWER COMPANY

COMPUTATION OF THE GAS COST RATE

EFFECTIVE: FOR SERVICE RENDERED ON AND AFTER
SEPTEMBER 1, 2008 BILLING

COMPUTATION PERIOD: TWELVE MONTHS ENDING WITH THE AUGUST 2009
CYCLE 20 BILLING

LINE NO.		FOR SERVICE RENDERED	
		BEFORE <u>9/1/08</u>	ON & AFTER <u>9/1/08</u>
1.	GAS COST RATE = ((C - E)/S) - B		
2.	C = PROJECTED COST OF GAS (SCHEDULE 2)	\$1,779,487	\$1,801,873
3.	S = PROJECTED SALES (MCF) (SCHEDULE 2)	143,500	137,700
4.	C/S	\$12.4006	\$13.0855
5.	SALES FOR USE IN CALCULATING THE "E" FACTOR (MCF)	143,500	137,700
6.	E = EXPERIENCED NET OVER/(UNDER) COLLECTION (SCHEDULE 6)	\$319,880	\$362,217
7.	E/S	\$2.2291	\$2.6305
8.	(C - E) / S	\$10.1715	\$10.4550
9.	B = BASE COST OF GAS PER MCF (SCHEDULE 12)	\$10.2991	\$10.2991
10.	((C - E) / S) - B	(\$0.1276)	\$0.1559
11.	GAS COST RATE (CENTS/CCF)	<u>(1.2760)</u>	<u>1.5590</u>