

PIKE COUNTY LIGHT & POWER COMPANY

COMPUTATION OF THE GAS COST RATE

EFFECTIVE: FOR SERVICE RENDERED ON AND AFTER
SEPTEMBER 1, 2001 BILLING

COMPUTATION PERIOD: TWELVE MONTHS ENDING WITH THE AUGUST 2002
CYCLE 20 BILLING

LINE NO.		FOR SERVICE RENDERED	
		BEFORE <u>9/1/01</u>	ON & AFTER <u>9/1/01</u>
1.	GAS COST RATE = $((C - E)/S - B) \times (1 - (1 - T))$		
2.	C = PROJECTED COST OF GAS (SCHEDULE 2)	\$764,268	\$804,980
3.	S = PROJECTED SALES (MCF) (SCHEDULE 2)	136,097	132,006
4.	C/S	\$5.6156	\$6.0981
5.	SALES FOR USE IN CALCULATING THE "E" FACTOR (MCF)	62,366	132,006
6.	E = EXPERIENCED NET OVER/(UNDER) COLLECTION (SCHEDULE 6)	(\$113,608)	(\$176,092)
7.	E/S	(\$1.8216)	(\$1.3340)
8.	(C - E) / S	\$7.4372	\$7.4321
9.	B = BASE COST OF GAS PER MCF (SCHEDULE 12)	\$3.9111	\$5.6132
10.	$((C - E) / S) - B$	\$3.5261	\$1.8189
11.	GAS COST RATE (CENTS/CCF)	<u>35.2610</u>	<u>18.1890</u>