

PIKE COUNTY LIGHT & POWER COMPANY

COMPUTATION OF THE GAS COST RATE

EFFECTIVE: FOR SERVICE RENDERED ON AND AFTER
SEPTEMBER 1, 2004 BILLING

COMPUTATION PERIOD: TWELVE MONTHS ENDING WITH THE AUGUST 2005
CYCLE 20 BILLING

LINE NO.		FOR SERVICE RENDERED	
		BEFORE <u>9/1/04</u>	ON & AFTER <u>9/1/04</u>
1.	GAS COST RATE = ((C - E)/S) - B		
2.	C = PROJECTED COST OF GAS (SCHEDULE 2)	\$950,141	\$1,103,470
3.	S = PROJECTED SALES (MCF) (SCHEDULE 2)	134,700	132,900
4.	C/S	\$7.0538	\$8.3030
5.	SALES FOR USE IN CALCULATING THE "E" FACTOR (MCF)	134,700	132,900
6.	E = EXPERIENCED NET OVER/(UNDER) COLLECTION (SCHEDULE 6)	(\$76,002)	(\$25,736)
7.	E/S	(\$0.5642)	(\$0.1937)
8.	(C - E) / S	\$7.6180	\$8.4967
9.	B = BASE COST OF GAS PER MCF (SCHEDULE 12)	\$5.6132	\$6.4906
10.	((C - E) / S) - B	\$2.0048	\$2.0061
11.	GAS COST RATE (CENTS/CCF)	<u>20.0480</u>	<u>20.0610</u>