

**COLUMBIA GAS OF KENTUCKY, INC.**

**LOCAL FRANCHISE FEE OR TAX  
 APPLICABLE TO ALL RATE SCHEDULES**

There shall be added to the Customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise, or other their-similar fee and Sales tax now or hereafter agreed to or imposed upon the Company by state and local taxing authorities, whether imposed by ordinance, franchise or otherwise, and which fee or tax is based upon a percentage of the gross receipts, net receipts, or revenues of the Company. Such amount shall be added exclusively to bills of Customers receiving service within the territorial limits of the authority imposing the fee or tax. Where more than one such fee or tax is imposed, each of the fees-charges or taxes applicable to each Customer shall be added to the Customer's bill as a-separately identified items.

In the event all or any part of such tax liability is not finally determined, or if reimbursement from Customers has been deficient, then the amount of such reimbursement required in respect of such tax liability not finally determined or deficient shall, when possible, be set forth for all months in any calendar year(s) in a statement to be rendered by Company to Customer by April 1, of the year following the year of final determination and Customer shall pay the amount due pursuant to such statement on or before May 1, of such following year.

~~Customers receiving service in the following municipalities or political subdivisions shall pay a local franchise fee or tax based on the following effective rates:~~

<del>Municipality or Political Subdivision</del>	<del>Local Franchise Fee or Tax Percent</del>
<del>Lexington-Fayette Urban County Government</del>	<del>3.16%</del>
<del>City of Irvine - Kentucky</del>	<del>2%</del>
<del>City of Ravenna - Kentucky</del>	<del>2%</del>
<del>City of Winchester - Kentucky</del>	<del>3%</del>
<del>City of Greenup - Kentucky</del>	<del>2%</del>
<del>City of Ashland, Kentucky</del>	<del>3%</del>

Exemption:

Those volumes delivered under the Delivery Service (DS) Rate Schedule, Main Line Delivery Service (MLDS) and Special Agency Service (SAS) are exempt from the above-mentioned taxes in the Cities of Irvine, Ravenna, Winchester, and Greenup.

DATE OF ISSUE: ~~March 6, 2007~~ September 13, 2013

DATE OF EFFECTIVE: ~~March 30, 2007~~ October 13, 2013

Issued by: Herbert A. Miller, Jr.

President

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