FOR All Serv	vice Areas	
	Area Served	
P.S.C. KY. NO.		1
	SHEET NO.	1

Burkesville Gas Company

(Name of Issuing Corporation)

SHEET NO.

CANCELLING P.S.C. KY. NO.

RATES AND CHARGES

REVISED RATE SCHEDULES

APPLICABILITY: APPLICABLE WITHIN ALL AREAS SERVICED BY BURKESVILLE GAS COMPANY, INC.

AVAILABILITY: AVAILABLE FOR GENERAL USE BY RESIDENTIAL AND INDUSTRIAL CUSTOMERS.

CHARACTER OF SERVICE: FIRM-WITHIN THE REASONABLE LIMITS OF THE COMPANY'S CAPABILITY TO PROVIDE SUCH SERVICE.

RATES:

	GAS COST RECOVERY		
	BASE RATE	RATE	TOTAL
RESIDENTIAL	\$4.25	\$11.4506	\$15.7006
INDUSTRIAL	\$3.90	\$11.4506	\$15.3506

NOTE (1) THE ABOVE RATES ARE BASED UPON THE WHOLESALE COST OF GAS AT THE REGULATOR STATION IN BURKESVILLE, KENTUCKY AND/OR ANY OTHER TOWNS WHERE GAS SERVICE IS PROVIDED. BEING A COST OF \$11.4506 PER MCF.

NOTE (2) INDUSTRIAL CUSTOMERS RECEIVING THE LOWER COST RATE WILL BE UNDER INTERRUPTABLE AGREEMENTS. THE MINIMUM CHARGE FOR SERVICE SHALL BE SET FORTH IN THE AGREEMENT WITH EACH INDUSTRIAL CUSTOMER. 10-21-05

DATE OF ISSUE December 9, 2004 Month / Date / Year	PUBLIC SERVICE COMMISSION
DATE EFFECTIVE December 10, 2004 Month / Date / Year	OF KENTUCKY EFFECTIVE
ISSUED BY (Signature of Officer)	12/10/2004 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
TITLE President BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00438 DATED December 7, 2004	By Executive Director

	FORCUMBERLAND COUNTY	
	P.S.C. KY NO	
BURKESVILLE GAS COMPANY	CANCELLING P.S.C. KY NO	
	SHEET NO	
RUI	ES AND REGULATIONS	

PURCHASED GAS COST ADJUSTMENT CLAUSE

Determination of GCR

Burkesville Gas Company shall file a quarterly report with the Commission which shall contain an updated Gas Cost Recovery Rate (GCR) and shall be filed at least thirty (30) days prior to the beginning of each <u>calendar quarter</u>. The GCR shall become effective for billing for service rendered on or after the first day of each <u>calendar quarter</u>.

The Gas Cost Recovery Rate is comprised of:

- 1. The expected gas cost component (EGC) on a dollar-per-Mcf basis, which represents the average expected cost of purchased gas.
- 2. The Actual Cost Adjustment (ACA), on a dollar-per-Mcf basis, compensates for over- or under-collection of gas cost resulting from differences between expected gas cost and the actual cost of gas. For purposes of determining the GCR, the ACA for the application period shall equal the sum of the ACA for the reporting period and for the <u>three (3) preceding calendar quarters</u>.
- 3. The supplier refund adjustment (RA) on a dollar-per-Mcf basis, which reflects the refunds received from suppliers during the reporting period plus interest at a rate equal to one-half of the percent below the average 90-day commercial paper rate for the twelve-month period. In the event of any large or unusual refunds, Burkesville Gas Company may apply to the Public Service Commission for the right to depart from the refund procedure herein set forth.

DATE OF ISSUE FEB	24 1993 DAY YEAR	DATE EFFECTIVE_	MONTH OF RENTUCKYYE AR
ISSUED BY	Vice President	119 Upper River	
RON GREINER	TITLE		ADDRESS FEB 24 1393
	10-27-05		PURSUANT TO 807 KAR 5:011. SECTION 9 (1) BY:

	FORCUMBERLAND COUNTY
	P.S.C. KY NO
BURKESVILLE GAS COMPANY	CANCELLING P.S.C. KY NO
	SHEET NO.

RULES AND REGULATIONS

PURCHASED GAS COST ADJUSTMENT CLAUSE (Continued)

Billing

The gas cost recovery rate to be applied to bills of customers shall equal the sum of the following components:

GCR = EGC + RA + ACA

The GCR will be added to or subtracted from the tariff rates prescribed by the Commission Order on Burkesville Gas Company's latest general rate case and will be included in the tariff rates stated on each applicable rate sheet within this tariff.

Definitions

For Purposes of this tariff:

a. "Average Expected Cost" is the cost of purchased gas which results from the application of supplier rates currently in effect, or reasonably expected to be in effect during the <u>calendar quarter</u>, on purchased volumes for the most recently available twelve-month period, divided by the corresponding sales volume. In the event that line loss exceeds 5 percent, purchased volumes for the twelve-month period shall be calculated as: sales volumes/.95. Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the Company expects the volumes to change substantially, Burkesville Gas Company may make appropriate adjustments to its calculations. Any adjustments of this type shall be described in the <u>quarterly</u> Gas Cost Recovery Report.

	24 1002		FUBLIC SERVICE COMMISSION FEB OF KENTUCKY 1993
DATE OF ISSUE FEB	24 1993 DAY YEAR CANCELLED	DATE EFFECTIVE	FEB OF KENTUCKY 1993 MONTH FFERMIVF YEAR
ISSUED BY RON GREINER	Vice President TITLE	119 Upper River	ADDRESS ^D 2 4 1993
	10-27-05		PURSUANI TO 807 KAR 5:011, SECTION 9 (1) BY:

	FORCUMBERLAND COUNTY
	P.S.C. KY NO
BURKESVILLE GAS COMPANY	CANCELLING P.S.C. KY NO
	SHEET NO.

PURCHASED GAS_COST_ADJUSTMENT_CLAUSE

RULES AND REGULATIONS

(Continued)

- b. "GCR" means the <u>quarterly</u> updated gas cost recovery rate and is the sum of the expected gas cost component plus the supplier refund adjustment plus the actual cost adjustment, i.e., GCR = EGC + RA + ACA
- c. "Calendar Ouarters" means each of the four three-month periods of (1) February, March, and April: (2) May, June, and July: (3) August, September, and October: (4) November, December, and January.
- d. "Reporting Period" means the <u>three-month</u> accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas cost recovery rates, i.e., the <u>calendar quarters ended April 30</u>, <u>July 31</u>, <u>October 31</u>, and <u>January 31</u> of each year.

	PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE
AY YEAR CANCELLED Vice President 19 Upper Rive TITLE 70-27-05	MONTH DAY YEAR