

FOR All Service Areas

Area Served

P. S. C. KY. NO. 1

SHEET NO. 1

BURKESVILLE GAS COMPANY, INC.

CANCELLING P. S. C. KY. NO. _____

(Name of Issuing Corporation)

SHEET NO. _____

RULES AND REGULATIONS

PURCHASED GAS COST ADJUSTMENT CLAUSE



Determination of GCR

Burkesville Gas Company, Inc. 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 calendar quarter. Burkesville Gas Company, Inc. may also shorten the notice period from thirty (30) days to a period of not less than twenty (20) days upon showing of good cause. In addition, Burkesville Gas Company, Inc. may prescribe a shorter time period in which a reduction in rates may be made. The GCR shall become effective for billing with the final meter readings of the first billing cycle of each calendar quarter.

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 three (3) preceding calendar quarters.
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 March 28, 2013
Month / Date / Year

DATE EFFECTIVE June 1, 2013
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Brent Kintley</i>
EFFECTIVE 6/1/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Service Areas

Area Served

P.S.C. KY. NO. 1

SHEET NO. 2

BURKESVILLE GAS COMPANY, INC.

CANCELLING P.S.C. KY. NO. _____

(Name of Issuing Corporation)

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 the purpose 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 calendar quarter, 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 volume to change substantially, Burkesville Gas Company may make appropriate adjustments to its calculations. Any adjustments of this type shall be described in the Quarterly Gas Cost Recovery Report.

DATE OF ISSUE March 28, 2013
Month / Date / Year

DATE EFFECTIVE June 1, 2013
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ISSUED BY [Signature]
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kinley</i>
EFFECTIVE 6/1/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Service Areas

Area Served

P.S.C. KY. NO. 1

SHEET NO. 3

BURKESVILLE GAS COMPANY, INC.

CANCELLING P.S.C. KY. NO. _____

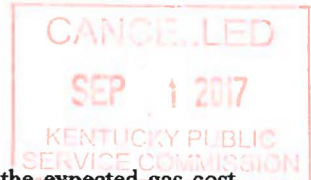
(Name of Issuing Corporation)

SHEET NO. _____

RULES AND REGULATIONS

PURCHASED GAS COST ADJUSTMENT CLAUSE

(continued)



- a. "GCR" means the quarterly 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., $GCR = EGC + RA + ACA$
- b. "Calendar Quarters" means each of the four three-month periods of (1) April, May and June; (2) July, August and September; (3) October, November and December; (4) January, February, and March
- c. "Reporting Period" means the three month accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas cost recovery rates, i.e., the calendar quarters ended June 30, September 30, December 31, and March 31.

Interim Gas Cost Adjustment Filings

In addition to the regular quarterly Purchased Gas Cost Adjustment Clause filings, with showing of good cause, Burkesville Gas Company, Inc. may make application to the Public Service Commission for Interim Gas Cost Adjustments. The interim rate shall become effective for billing with the final meter readings of the first billing cycle of the interim month.

DATE OF ISSUE March 28, 2013

Month / Date / Year

DATE EFFECTIVE June 1, 2013

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ISSUED BY _____

(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
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