

**RULES AND REGULATIONS GOVERNING  
THE DISTRIBUTION AND SALE OF GAS**

Definitions – For purpose of this tariff:

(a) “Average Expected Cost” means the cost of gas supplies, including associated transportation and storage charges, and propane which results from the application of suppliers’ rates currently in effect, or reasonably expected to be in effect during the calendar quarter, on purchased volumes during the twelve month period ending with the reporting period to which the GCR will apply, divided by the corresponding sales volume. 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, the Company expects the volumes to change substantially, the Company may make appropriate adjustments in its calculations. Any adjustments of this type shall be described in the quarterly Gas cost Recovery Report.

(b) “GCR” means the quarterly updated gas cost recovery rate applicable to the monthly consumption of customers (sum of the expected gas cost component plus the supplier refund adjustment plus the actual adjustment plus the balancing adjustment; i.e.,  $GCR = RA + ACA + BA$ ).

(c) “Calendar Quarters” means each of the four three month periods of (1) August, September and October; (2) November, December and January; (3) February, March and April; and (4) May, June and July.

(d) “Reporting Period” means the three (3) month accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas recovery rates; i.e., the calendar quarterly preceding that during which the most recent Quarterly Report was filed.

Gas Cost Recovery Charges – The Gas Cost Recovery component shall be \$2.40 per Mcf.

**CANCELLED**  
  
May 1, 2020  
  
**KENTUCKY PUBLIC  
SERVICE COMMISSION**

Issued: March 1, 2011  
Issued by: Thomas Hartline, Secretary

**KENTUCKY  
PUBLIC SERVICE COMMISSION**  
  
**JEFF R. DEROUEN**  
EXECUTIVE DIRECTOR  
  
TARIFF BRANCH  
  
*Brent Kirtley*  
Effective March 1, 2011  
Case No. 2010-00468  
**3/1/2011**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)