

Gas Cost Inputs

ANR RATES

Transport Charge	\$0.9223
ACA Charge	\$0.0018
GRI Charge	\$0.0000
DTCA Deferred Transportation Cost Adj.	(\$0.0107)
Rate Adjustment	\$0.0000
Transport Use Fee (Group 1)	2.45%
Transport Use Fee (Group 2)	3.77%
Storage Use Fee	1.04%
	\$0.9134

Note: From FERC Gas Tariff: ANR Ninth Revised Sheet No. 6 Effective 05/01/05 , Forty-Second Revised Sheet No. 17 Effective 10/01/05 and Twenty-First Revised Sheet No. 19 Effective 04/01/2005.

Annual Throughput 700,123

Season Budget (Dth)

Jan	139,654
Feb	109,316
Mar	84,261
Apr	46,299
May	21,423
Jun	10,348
Jul	9,714
Aug	9,971
Sep	17,046
Oct	43,232
Nov	83,843
Dec	125,016
TOTAL	700,123

Aquila Networks - L&P
Annualized Gas Cost Calculation
To Reflect Current ANR & Spot Market Rates

Enclosure 3

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FIRM	<u>Annual/ Seasonal Volume</u>	<u>Monthly Capacity Reserved</u>	<u>No. of Mths Reserved</u>	<u>Tariff Rate</u>	<u>Annual Cost</u>
SJLP Transportation Cost per MCF					\$0.9134
Spot Market Purchases	700,123			\$7.7427	\$5,420,842
Option Premiums					\$135,630
Season Budget	<u>700,123</u>				
Cost per MCF at Burnertip					\$7.9364
PGA					
Total Cost per Mcf at Burnertip					\$8.8498
Highest WACOG		Jan 02 - Oct 03	Jan 03 - Oct 04	Jan 04 - Oct 05	Average WACOG
		\$5.1922	\$5.3295	\$7.2336	\$5.9184
		Highest Avg WACOG-(Avg with the highest of 3 averages)			\$6.5760
		JANUARY 2006 Gas Commodity Costs			\$10.2026
INTERRUPTIBLE					
SJLP Transportation Cost			<u>@150%</u>		
			\$1.3862	\$1.3862	
	\$7.7427			\$7.7427	
Total Annual Cost				<u>\$9.1289</u>	
Sales Volume at Burnertip					
Cost per MCF at Burnertip				\$9.1289	