

Aquila Networks - L&P
Estimated Deferred Carrying Cost Balance (DCCB) Calculation
2004-2005 ACA Year

Annual Gas Cost Level													
Gas Cost from Nov 05 ACA calculation	3,957,785												
Gas Cost from Nov 04 ACA calculation	4,337,163												
Gas Cost from Nov 03 ACA calculation	4,299,903												
Average of 3 most recent gas cost calculations	4,198,284												
	10%												
10% of average annual gas cost threshold	419,828												
	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Total</u>
Sales Volumes (in Mcf)	12,178	18,311	33,875	83,074	136,036	106,600	82,585	44,917	31,041	14,571	10,743	10,196	584,128
Cost of Gas Purchased and Produced	142,410	215,479	463,424	622,404	831,750	510,094	389,661	224,582	117,912	131,222	138,430	170,417	3,957,785
PGA - Estimated Annualized Unit Cost of Gas	\$6.3329	\$6.4292	\$6.4351	\$7.2060	\$7.4094	\$7.4167	\$7.1637	\$6.9030	\$6.6281	\$6.9025	\$6.8996	\$6.8996	
Actual Annualized Unit Cost of Gas	11.6940	11.7679	13.6804	7.4921	6.1142	4.7851	4.7183	4.9999	3.7986	9.0057	12.8856	16.7134	
Difference	-5.3611	-5.3388	-7.2454	-0.2861	1.2952	2.6316	2.4454	1.9032	2.8295	-2.1032	-5.9860	-9.8138	
Actual Sales Volumes	12,178	18,311	33,875	83,074	136,036	106,600	82,585	44,917	31,041	14,571	10,743	10,196	
DCCB Monthly Over/(Under) Recovery	(65,287)	(97,757)	(245,436)	(23,765)	176,200	280,530	201,955	85,485	87,833	(30,646)	(64,308)	(100,066)	
2004-05 DCCB Yr to Date Over/(Under) Recovery	(65,287)	(163,044)	(408,481)	(432,246)	(256,047)	24,483	226,438	311,923	399,756	369,110	304,803	204,737	
10% of average annual gas cost threshold	419,828	419,828	419,828	419,828	419,828	419,828	419,828	419,828	419,828	419,828	419,828	419,828	
Absolute Value Rcvry Bal that exceeds threshold	-	-	-	12,418	-	-	-	-	-	-	-	-	
Over/(Und) Rcvry Bal that exceeds 10% threshold	-	-	-	(12,418)	-	-	-	-	-	-	-	-	
Interest at Prime Rate - Wall Street Journal - 1%	3.25%	3.75%	4.00%	4.25%	4.25%	4.50%	4.50%	4.75%	5.00%	5.00%	5.25%	5.50%	
Carrying Costs Refunded/(Collected)	-	-	-	(44)	-	-	-	-	-	-	-	-	(44)
DCCB Percent of Avg Annual Gas Costs	-1.56%	-3.88%	-9.73%	-10.30%	-6.10%	0.58%	5.39%	7.43%	9.52%	8.79%	7.26%	4.88%	

Note: The DCCB will become 0 at the beginning of each new ACA period (Sep).
Note: Shaded Area indicates estimate.

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