

RATE GTS

GAS TRADING SERVICE

AVAILABILITY

Daily/monthly inter-pool imbalance trading services, available to (1) customers receiving interruptible gas transportation service under Rate IT or under special contract arrangements, who are acting as their own pool operator for supply management purposes, and (2) pool operators designated by Rate IT, special contract arrangements, or under Rate FT-L customers to manage their gas supplies on their behalf and as a part of an aggregated customer pool.

CHARACTER OF SERVICE

The Company will operate an electronic bulletin board (EBB) through which eligible pool operators can notice offers of gas supplies for purchase, sale, or trade. The pool operator offering to purchase, sell, or trade gas supplies must provide the following information for publication on the EBB:

- A) the pool operator's name,
- B) contact person and telephone number,
- C) quantities of gas available for purchase, sale or trade,
- D) other general text trade terms.

Daily imbalance trades or transfers must be made within four (4) business days from the date that the trade or transfer applies. Monthly imbalance trades or transfers must be completed within four (4) business days following the end of the month.

Transactions will be completed when the pool operator(s) on both sides of a transaction, key their acceptance into the EBB. When that occurs, all other would-be acceptors of the offer are locked out. The Company will adjust the daily/monthly accounts of both parties to a transaction in order to record the volume transfer embodied in the transaction. Any dollar payments, receipts, or exchanges of other consideration agreed upon between the parties to a transaction are outside the scope of this tariff and must be completed between the parties themselves.

BILLING

The Company will bill the receiving party to a transfer under this tariff a \$5.00 fee for each transaction. For purposes of this tariff, a transaction is each transfer of gas supplies from one pool to another on a specific gas day pursuant to an arrangement by, or between, pool operators to purchase, sell, or trade gas supplies. For purposes of this tariff, the receiving party of a transfer is the purchaser or the party to whom gas supplies are transferred on a specific gas day.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission.

Issued by authority of the Kentucky Public Service Commission in accordance with TFS2006-01494 dated September 29, 2006.

Issued: October 6, 2006

Effective: October 1, 2006

Issued by Sandra P. Meyer, President