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Title: Budget Payment Plan

Purpose: Provide a plan to spread a customer's annual gas service cost over twelve equal monthly payments in lieu of monthly billings based on actual usage; whereby any difference in the actual amount due and the fixed amount paid each month shall be payable in full each year upon receipt of the June billing.

Plan: 1. If at any time the Rate under which the Company purchases gas service at wholesale is modified, the Company may make a corresponding modification in the rate for service hereunder and the budget payment amount shall be adjusted accordingly.

2. If at any time the Rate and/or Terms and Conditions as set forth in the Company's Rate are adjusted or changed and said adjustments and/or changes are approved by the Kentucky Energy Regulatory Commission said adjustments and/or will become effective and supersede, cancel and replace rates and/or terms and conditions provided in existing rate prior to the effective date as set forth in the Energy Regulatory Commission's Order approving the adjustments and/or changes.

3. The monthly budget payments are subject to change where a trend develops indicating the amount set up is insufficient to result in a reasonable balance due in the June Billing period; at which time, the difference in the fixed amount and actual cost of gas service is payable in full.

4. The Consumer shall make payment each month in the full amount of the Budget Payment as stated herein, irregardless of any accumulated charges or credits for actual use. The accumulated charges or credits shall be adjusted on the June billing. Should the Consumer fail to make such budget payments by due date, service will be discontinued and entire balance becomes due and payable before service is restored. The Consumer shall be ineligible for future billings under the Budget Payment Plan.

5. This agreement shall continue from year to year, unless terminated by either party giving to the other notice in writing, subject to the provision stated in 4 above.