



a PPL company

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40601

March 30, 2012

**Re: Louisville Gas and Electric Company -
Gas Supply Clause Effective May 1, 2012**

Dear Mr. DeRouen:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and ten copies of the Seventh Revision of Original Sheet No. 85 of LG&E Tariff PSC Gas No. 8 setting forth a Gas Supply Cost Component of 34.904 cents per 100 cubic feet applicable to all gas sold during the period of May 1, 2012 through July 31, 2012. In addition, we file herewith a corresponding number of copies of "Supporting Calculations for the Gas Supply Clause."

Also enclosed herewith is a summary of our gas service rates effective for the period of May 1, 2012 through July 31, 2012.

Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 of 6 and 6 of 6.

This filing represents expected gas costs for the three-month period May 1, 2012 through July 31, 2012. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on February 1, 2012. These adjustment levels will remain in effect from May 1, 2012 through July 31, 2012.

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COMMISSION

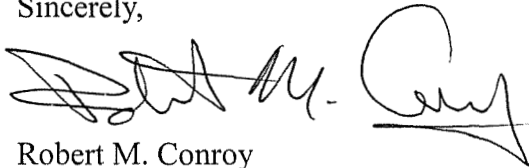
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Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
March 30, 2012

We respectfully request your acceptance of this filing which we believe is in full compliance with the provisions of the LG&E Gas Supply Clause approved by the Kentucky Public Service Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Conroy". The signature is stylized with a large, looped "C" at the end.

Robert M. Conroy

Enclosures

Louisville Gas and Electric Company

P.S.C. Gas No. 8, Seventh Revision of Original Sheet No. 85
 Canceling P.S.C. Gas No. 8, Sixth Revision of Original Sheet No. 85

Adjustment Clause	GSC	
Gas Supply Clause		
<p>APPLICABLE TO All gas sold.</p>		
<p>GAS SUPPLY COST COMPONENT (GSCC)</p>		
Gas Supply Cost	\$0.36785	R
Gas Cost Actual Adjustment (GCAA)	(0.01182)	I
Gas Cost Balance Adjustment (GCBA)	(0.01593)	R
<p>Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:</p>		
Refund Factor Effective August 1, 2011	(0.00043)	T
Refund Factor Effective November 1, 2011	(0.00044)	T
Refund Factor Effective February 1, 2012	(0.00041)	T
Refund Factor Effective May 1, 2012	<u>(0.00044)</u>	T/R
Total Refund Factor	(0.00172)	R
Performance-Based Rate Recovery Component (PBRRC)	<u>0.01066</u>	
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	\$0.34904	R

Date of Issue: March 30, 2012

Date Effective: May 1, 2012

Issued By: Lonnie E. Bellar, Vice-President, State Regulation and Rates, Louisville, Kentucky

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2012-00XXX

For the Period

May 1, 2012 through July 31, 2012

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After May 1, 2012

2012-000XX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	10,308,125
Total Expected Customer Deliveries: May 1, 2012 through July 31, 2012	Mcf	2,802,261
Gas Supply Cost Per Mcf	\$/Mcf	3.6785
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	36.785

Gas Cost Actual Adjustment (GCAA) - See Exhibit B for Detail

Description	Unit	Amount
Current Quarter Actual Adjustment Eff. May 1, 2012 (Case No. 2011-00402)	¢/Ccf	(0.975)
Previous Quarter Actual Adjustment Eff. February 1, 2012 (Case No. 2011-00228)	¢/Ccf	(0.658)
2nd Previous Qrt. Actual Adjustment Eff. November 1, 2011 (Case No. 2011-00119)	¢/Ccf	(0.092)
3rd Previous Qrt. Actual Adjustment Eff. August 1, 2011 (Case No. 2010-00525)	¢/Ccf	0.543
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(1.182)

Gas Cost Balance Adjustment (GCBA) - See Exhibit C for Detail

Description	Unit	Amount
Balance Adjustment Amount	\$	446,325
Total Expected Customer Deliveries: May 1, 2012 through July 31, 2012	Mcf	2,802,261
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	(0.1593)
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	(1.593)

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Refund Factor Effective:		
Current Quarter Refund Factor Eff. May 1, 2012	¢/Ccf	(0.044)
1st Previous Quarter Refund Factor Eff. February 1, 2012	¢/Ccf	(0.041)
2nd Previous Quarter Refund Factor Eff. November 1, 2011	¢/Ccf	(0.044)
3rd Previous Quarter Refund Factor Eff. August 1, 2011	¢/Ccf	(0.043)
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	(0.172)

Performance-Based Rate Recovery Component (PBRRC) - See Exhibit E for Detail

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	1.066
Total of PBRRC Factors Per 100 Cubic Feet	¢/Ccf	1.066

Gas Supply Cost Component (GSCC) Effective May 1, 2012 through July 31, 2012

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	36.785
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(1.182)
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	(1.593)
Refund Factors (RF)	¢/Ccf	(0.172)
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	1.066
Total Gas Supply Cost Component (GSCC)	¢/Ccf	34.904

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From May 1, 2012 through July 31, 2012

	May	June	July	Total May12 thru July12
MMBtu				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	1,293,436	1,128,797	1,782,763	4,204,996
2. Expected Gas Supply Transported Under Texas' Rate FT	310,000	300,000	310,000	920,000
3. Expected Gas Supply Transported Under Texas' Rate STF	558,000	540,000	558,000	1,656,000
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	0	1,200,000	1,240,000	2,440,000
5. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	0	0	0	0
6. Total MMBtu Purchased	2,161,436	3,168,797	3,890,763	9,220,996
7. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	0
8. Less: Injections into Texas Gas' NNS Storage Service	1,085,000	624,000	130,200	1,839,200
9. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	1,076,436	2,544,797	3,760,563	7,381,796
Mcf				
10. Total Purchases in Mcf	2,108,718	3,091,509	3,795,866	
11. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	
12. Less: Injections Texas Gas' NNS Storage Service	1,058,537	608,780	127,024	
13. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	1,050,181	2,482,729	3,668,842	
14. Plus: Customer Transportation Volumes under Rate TS	6,253	6,574	6,924	
15. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 13 + Line 14)	1,056,434	2,489,303	3,675,766	
16. Less: Purchases for Depts Other Than Gas Dept.	267	114	1,623	
17. Less: Purchases Injected into LG&E's Underground Storage	0	1,647,832	2,867,221	
18. Mcf Purchases Expensed during Month (Line 13 - Line 16 - Line 17)	1,049,914	834,783	799,998	2,684,695
19. LG&E's Storage Inventory - Beginning of Month	3,048,721	2,848,721	4,466,721	
20. Plus: Storage Injections into LG&E's Underground Storage (Line 17)	0	1,647,832	2,867,221	
21. LG&E's Storage Inventory - Including Injections	3,048,721	4,496,553	7,333,942	
22. Less: Storage Withdrawals from LG&E's Underground Storage	171,825	0	0	171,825
23. Less: Storage Losses	28,175	29,832	35,221	93,228
24. LG&E's Storage Inventory - End of Month	2,848,721	4,466,721	7,298,721	
25. Mcf of Gas Supply Expensed during Month (Line 18 + Line 22 + Line 23)	1,249,914	864,615	835,219	2,949,748
Cost				
26. Total Demand Cost - Including Transportation (Line 15 x Line 48)	\$872,298	\$2,055,417	\$3,035,080	
27. Less: Demand Cost Recovered thru Rate TS (Line 14 x Line 48)	5,163	5,428	5,717	
28. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$867,135	\$2,049,989	\$3,029,363	
29. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 49)	3,170,729	2,897,170	4,782,797	
30. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 50)	739,505	749,850	810,495	
31. Commodity Costs - Gas Supply Under Rate STF (Line 3 x Line 51)	1,348,295	1,366,362	1,476,077	
32. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 4 x Line 52)	0	2,952,480	3,191,512	
33. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 5 x Line 53)	0	0	0	
34. Total Purchased Gas Cost	\$6,125,664	\$10,015,851	\$13,290,244	\$29,431,759
35. Plus: Withdrawals from NNS Storage (Line 7 x Line 49)	0	0	0	0
36. Less: Purchases Injected into NNS Storage (Line 8 x Line 49)	2,659,769	1,601,558	349,301	4,610,628
37. Total Cost of Gas Delivered to LG&E	\$3,465,895	\$8,414,293	\$12,940,943	\$24,821,131
38. Less: Purchases for Depts Other Than Gas Dept (Line 16 x Line 54)	881	386	5,725	6,992
39. Less: Purchases Injected into LG&E's Storage (Line 17 x Line 54)	0	5,584,667	10,113,549	15,698,216
40. Pipeline Deliveries Expensed During Month	\$3,465,014	\$2,829,240	\$2,821,669	\$9,115,923
41. LG&E's Storage Inventory - Beginning of Month	\$14,161,614	\$13,232,594	\$18,692,420	
42. Plus: LG&E Storage Injections (Line 39 above)	0	5,584,667	10,113,549	
43. LG&E's Storage Inventory - Including Injections	\$14,161,614	\$18,817,261	\$28,805,969	
44. Less: LG&E Storage Withdrawals (Line 22 x Line 55)	798,144	0	0	\$798,144
45. Less: LG&E Storage Losses (Line 23 x Line 55)	130,876	124,841	138,341	394,058
46. LG&E's Storage Inventory - End of Month	\$13,232,594	\$18,692,420	\$28,667,628	
47. Gas Supply Expenses (Line 40 + Line 44 + Line 45)	\$4,394,034	\$2,954,081	\$2,960,010	\$10,308,125
Unit Cost				
48. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.8257	\$0.8257	\$0.8257	
49. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$2.4514	\$2.5666	\$2.6828	
50. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$2.3855	\$2.4995	\$2.6145	
51. Commodity Cost (per MMBtu) under Texas Gas's Rate STF	\$2.4163	\$2.5303	\$2.6453	
52. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$2.3480	\$2.4604	\$2.5738	
53. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$2.4084	\$2.5204	\$2.6335	
54. Average Cost of Deliveries (Line 37 / Line 13)	\$3.3003	\$3.3891	\$3.5273	
55. Average Cost of Inventory - Including Injections (Line 43 / Line 21)	\$4.6451	\$4.1848	\$3.9278	
Gas Supply Cost				
56. Total Expected Mcf Deliveries (Sales) to Customers (May 1, 2012 through July 31, 2012)				2,802,261 Mcf
57. Current Gas Supply Cost (Line 47 / Line 56)				\$3.6785 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From May 1, 2012 through July 31, 2012

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$12.7642	x	119,913	MMBtu) x 12	\$18,367,122
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$5.4500	x	10,000	MMBtu) x 12	654,000
Texas Gas Firm Transportation (Rate STF) Monthly Demand Charge	(	\$6.2178	x	10,542	MMBtu) x 12	786,577
Tenn Gas Firm Transportation (Rate FT-A, 0-2) Monthly Demand Charge	(	\$6.4640	x	40,000	MMBtu) x 12	3,102,720
Tenn. Gas Firm Transportation (Rate FT-A, 1-2) Monthly Demand Charge	(	\$6.4640	x	11,000	MMBtu) x 12	853,248
Long-Term Firm Contracts with Suppliers (Annualized)						4,192,876

ANNUAL DEMAND COSTS

\$27,956,543

Expected Annual Deliveries from Pipeline Transporters

34,703,897

(Including Transportation Under Rate TS) - MMBtu

Expected Annual Deliveries from Pipeline Transporters

33,857,460

(Including Transportation Under Rate TS) - Mcf

AVERAGE DEMAND COST PER MCF

\$0.8257

Pipeline Supplier's Demand Component Applicable to Billings
Under L.G.&E's Gas Transportation Service/Standby - Rate TS
For The Three-Month Period From May 1, 2012 through July 31, 2012

Pipeline Supplier's Demand Component per Mcf \$0.8257

Refund Factor for Demand Portion of
Texas Gas Refund (see Exhibit D) (0.0172)

Performance Based Rate Recovery
Component (see Exhibit E) 0.0715

Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation \$0.8800

Daily Demand Charge Component of Utilization Charge For Daily Imbalances under Rates FT and PS-FT

Design Day Requirements (in Mcf) 444,861

(Annual Demand Costs / Design Day Requirements / 365 Days) - 100% Load Factor Rate \$0.1722

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2012-00XXX

Gas Supply Cost Effective May 1, 2012

LG&E is served by Texas Gas Transmission, LLC (“TGT”) pursuant to the terms of the transportation agreements under Rate Schedules NNS-4, FT-4, and STF-4. LG&E is served by Tennessee Gas Pipeline Company, LLC (“TGPL”) pursuant to the terms of a transportation agreement under Rate Schedule FT-A-2. Both TGT and TGPL are subject to regulation by the Federal Energy Regulatory Commission (“FERC”).

Texas Gas Transmission, LLC

Texas Gas’s No-Notice Service (NNS-4)

On August 17, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2393 to reflect the most current FERC Annual Charge Adjustment (“ACA”) to be effective beginning October 1, 2011. The new ACA rate is a decrease of \$0.0001 per MMBtu from the current rate of \$0.0019 per MMBtu to \$0.0018 per MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 which will be applicable on and after May 1, 2012. The tariffed rates are as follows: (a) a daily demand charge of \$0.4190/MMBtu, and (b) a commodity charge of \$0.0632/MMBtu.

LG&E has negotiated rate agreements applicable to all three NNS service agreements that result in a monthly demand charge applicable to LG&E of \$12.7642/MMBtu and a volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0632/MMBtu.

Texas Gas’s Firm Transportation Service (FT-4)

On August 17, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2393 to reflect the most current FERC Annual Charge Adjustment (“ACA”) to be effective beginning October 1, 2011. The new ACA rate is a decrease of \$0.0001 per MMBtu from the current rate of \$0.0019 per MMBtu to \$0.0018 per MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 which will be applicable on and after May 1, 2012. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges. Page 3 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows: (a) a daily demand charge of \$0.3142/MMBtu, and (b) a commodity charge of \$0.0526/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$5.4500/MMBtu and an annual volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0218/MMBtu.

Texas Gas’s Short-Term Firm Service (STF-4)

On June 6, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2177 to clarify how backhaul rates are determined and the process that shippers follow to utilize segmentation of their backhaul capacity. On August 17, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2393 to reflect the most current FERC Annual Charge Adjustment (“ACA”) to be effective beginning October 1, 2011. The new ACA rate is a decrease of \$0.0001 per MMBtu from the current rate of \$0.0019 per MMBtu to \$0.0018 per MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1 (a), Page 4, is the sheet for Short-Term Firm Service under Rate STF-4 which will be applicable on and after May 1, 2012. The tariffed rates are as follows: for the winter season, (a) a daily demand charge of \$ \$0.4701/MMBtu, and (b) a commodity charge of \$0.0526/MMBtu; and for the summer season, (a) a daily demand charge of \$0.2042/MMBtu, and (b) a commodity charge of \$0.0526.

LG&E has negotiated rate agreements that result in the following charges: a weighted-average monthly demand charge of \$6.2178/MMBtu; a winter season commodity-only rate of \$0.5247/MMBtu and a summer season commodity rate of \$0.0526/MMBtu.

Tennessee Gas Pipeline Company

On January 27, 2012, in FERC Docket RP11-1566, TGPL submitted its filing to comply with FERC’s directive in its Order of December 5, 2011, whereby TGPL was directed to submit tariffs to implement the settlement in Docket RP11-1566.

TGPL’s Firm Transportation Service (FT-A-2)

Attached hereto as Exhibit A-1 (a), Pages 5, and 6, are the tariff sheets for transportation service under Rate FT-A, which will be applicable on and after May 1, 2012. Page 5 contains the tariff sheet which sets forth the monthly demand charges and Page 6 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows for deliveries from Zone 0 to Zone 2: (a) a monthly demand charge of \$16.3405/MMBtu, and (b) a commodity charge of \$0.0403/MMBtu. The tariffed rates are as follows for deliveries from Zone 1 to Zone 2: (a) a monthly demand charge of \$11.1329/MMBtu, and (b) a commodity charge of \$0.0337/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$6.4640/MMBtu and an annual commodity rate of \$0.0383/MMBtu for deliveries from Zone 0 to Zone 2, and \$0.0347/MMBtu for deliveries from Zone 1 to Zone 2.

Gas Supply Costs

The New York Mercantile Exchange (“NYMEX”) natural gas futures prices as of March 28, 2012, are \$2.282/MMBtu for May, \$2.401/MMBtu for June, and \$2.522/MMBtu for July. The average of the NYMEX close and the six preceding trading days has been used as a general price indicator.

The wholesale natural gas market is not price-regulated and is subject to the forces of supply and demand, as well as psychological factors that can affect the market. Among the forces that are presumably affecting the price of natural gas are:

- National gas storage inventories are 50% higher compared to the same period one year ago;¹
- Economic recovery could boost the demand for natural gas in the industrial sector;
- New domestic supplies from unconventional shale gas plays continue to come on line;
- New pipelines are delivering new natural gas supplies to marketplace;
- Gas-fired electric generation loads will boost weather-driven demand for natural gas; and
- Gas supply disruptions could boost prices.

During the three-month period under review, May 1, 2012 through July 31, 2012, LG&E estimates that its total purchases will be 7,381,796 MMBtu. LG&E expects that 2,365,796 MMBtu will be met with deliveries from TGT’s pipeline service under Rate NNS (4,204,996 MMBtu in pipeline deliveries less 1,839,200 MMBtu in net storage injections); 920,000 MMBtu will be met from deliveries under TGT’s pipeline service under Rate FT; 1,656,000 MMBtu will be met from deliveries under TGT’s pipeline service under Rate STF; 2,440,000 MMBtu will be met from deliveries under TGPL’s pipeline service under Rate FT-A from Zone 0; 0 MMBtu will be met from deliveries under TGPL’s pipeline service under Rate FT-A from Zone 1.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the NNS service is expected to be \$2.2810 per MMBtu in May 2012, \$2.3910 in June 2012, and \$2.5020 in July 2012. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the FT service is expected to be \$2.2810 per

¹ The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending March 23, 2012, indicated that storage inventory levels were 50% higher than last year’s levels. Storage inventories across the nation are 816 Bcf (2,437 Bcf – 1,621 Bcf), or 50%, higher this year than the same period one year ago. Last year at this time, 1,621 Bcf was held in storage, while this year 2,437 Bcf is held in storage. Storage inventories across the nation are 900 Bcf (2,437 Bcf – 1,537 Bcf), or 59%, higher this year than the five-year average. On average for the last five years at this time, 1,537 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas tend to cause increases in the expected price of natural gas.

MMBtu in May 2012, \$2.3910 in June 2012, and \$2.5020 in July 2012. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the STF service is expected to be \$2.2810 per MMBtu in May 2012, \$2.3910 in June 2012, and \$2.5020 in July 2012. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL under Rate FT-A from its Zone 0 is expected to be \$2.2610 per MMBtu in May 2012, \$2.3710 in June 2012, and \$2.4820 in July 2012; and the average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL from its Zone 1 is expected to be \$2.3310 per MMBtu in May 2012, \$2.4410 in June 2012, and \$2.5520 in July 2012.

Set forth below are the commodity costs as delivered to LG&E after giving effect to TGT's and TGPL's commodity charges for transporting the gas under Rates NNS, FT, STF, and FT-A and the applicable retention percentages:

RATE NNS
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RATE NNS RETENTION (TO ZONE 4)</u>	<u>TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2012	\$2.2810	4.49%	\$0.0632	\$2.4514
June 2012	\$2.3910	4.49%	\$0.0632	\$2.5666
July 2012	\$2.5020	4.49%	\$0.0632	\$2.6828

RATE FT
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2012	\$2.2810	3.50%	\$0.0218	\$2.3855
June 2012	\$2.3910	3.50%	\$0.0218	\$2.4995
July 2012	\$2.5020	3.50%	\$0.0218	\$2.6145

RATE STF
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S SHORT-TERM FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE STF TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2012	\$2.2810	3.50%	\$0.0526	\$2.4163
June 2012	\$2.3910	3.50%	\$0.0526	\$2.5303
July 2012	\$2.5020	3.50%	\$0.0526	\$2.6453

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENNESSEE GAS'S FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TENN. GAS</u>	<u>RETENTION (TO ZONE 2)</u>	<u>RATE FT-A TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Zone 0				
May 2012	\$2.2610	2.11%	\$0.0383	\$2.3480
June 2012	\$2.3710	2.11%	\$0.0383	\$2.4604
July 2012	\$2.4820	2.11%	\$0.0383	\$2.5738
Zone 1				
May 2012	\$2.3310	1.80%	\$0.0347	\$2.4084
June 2012	\$2.4410	1.80%	\$0.0347	\$2.5204
July 2012	\$2.5520	1.80%	\$0.0347	\$2.6335

The annual demand billings covering the 12 months from May 1, 2012 through April 30, 2013, for the firm contracts with natural gas suppliers are currently expected to be \$4,192,876.

Rate FT and Rate PS-FT

The demand-related supply costs applicable to the Daily Utilization Charge under Rates FT and PS-FT applicable during the three-month period of May 1, 2012 through July 31, 2012 are set forth on Exhibit A, Page 2.

Any revenue collected from the application of these charges will flow directly into the Gas Supply Cost Actual Adjustment (“GCAA”) in future Gas Supply Clause filings. Therefore, the revenue collected through application of these charges will reduce the total Gas Supply Cost Component (“GSCC”) charged to LG&E’s sales customers.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: October 1, 2011

Section 4.4
Currently Effective Rates - NNS
Version 4.0.0

Currently Effective Maximum Transportation Rates (\$ per MMBtu)
For Service Under Rate Schedule NNS

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
Zone SL			
Daily Demand	0.1800		0.1800
Commodity	0.0253	0.0018	0.0271
Overrun	0.2053	0.0018	0.2071
Zone 1			
Daily Demand	0.2782		0.2782
Commodity	0.0431	0.0018	0.0449
Overrun	0.3213	0.0018	0.3231
Zone 2			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0018	0.0478
Overrun	0.3548	0.0018	0.3566
Zone 3			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0018	0.0508
Overrun	0.4033	0.0018	0.4051
Zone 4			
Daily Demand	0.4190		0.4190
Commodity	0.0614	0.0018	0.0632
Overrun	0.4804	0.0018	0.4822

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0163
 Zone 1 0.0186
 Zone 2 0.0223
 Zone 3 0.0262
 Zone 4 0.0308

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 6.16 of the General Terms and Conditions.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental transportation charge of:

Daily Demand	\$0.1288
Commodity	\$0.0068
Overrun	\$0.1356

These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
 FERC NGA Gas Tariff
 Fourth Revised Volume No. 1
 Effective On: October 1, 2011

Section 4.1
 Currently Effective Rates - FT
 Version 5.0.0

Currently Effective Maximum Daily Demand Rates (\$ per MMBtu)
 For Service Under Rate Schedule FT

Currently Effective Rates [1]

SL-SL	0.0794
SL-1	0.1552
SL-2	0.2120
SL-3	0.2494
SL-4	0.3142
1-1	0.1252
1-2	0.1820
1-3	0.2194
1-4	0.2842
2-2	0.1332
2-3	0.1705
2-4	0.2334
3-3	0.1181
3-4	0.1810
4-4	0.1374

Minimum Rates: Demand \$-0-

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

[1] Currently Effective Rates are equal to the Base Tariff Rates.

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 6.16 of the General Terms and Conditions.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
 FERC NGA Gas Tariff
 Fourth Revised Volume No. 1
 Effective On: October 1, 2011

Section 4.1
 Currently Effective Rates - FT
 Version 5.0.0

Currently Effective Maximum Commodity Rates (\$ per MMBtu)
 For Service Under Rate Schedule FT

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
SL-SL	0.0104	0.0018	0.0122
SL-1	0.0355	0.0018	0.0373
SL-2	0.0399	0.0018	0.0417
SL-3	0.0445	0.0018	0.0463
SL-4	0.0528	0.0018	0.0546
1-1	0.0337	0.0018	0.0355
1-2	0.0385	0.0018	0.0403
1-3	0.0422	0.0018	0.0440
1-4	0.0508	0.0018	0.0526
2-2	0.0323	0.0018	0.0341
2-3	0.0360	0.0018	0.0378
2-4	0.0446	0.0018	0.0464
3-3	0.0312	0.0018	0.0330
3-4	0.0398	0.0018	0.0416
4-4	0.0360	0.0018	0.0378

Minimum Rates: Commodity minimum base rates are presented in Section 4.12.

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to Intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Notes:

- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Commodity charge of \$0.0068. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
 FERC NGA Gas Tariff
 Fourth Revised Volume No. 1
 Effective On: July 7, 2011

Section 4.2
 Currently Effective Rates - STF
 Version 4.0.0

Currently Effective Maximum Transportation Rates (\$ per MMBtu)
 For Service under Rate Schedule STF

	<u>Peak (Winter)-Demand</u>	<u>Off-Peak (Summer)-Demand</u>
	<u>Currently Effective Rates [1]</u>	<u>Currently Effective Rates [1]</u>
SL-SL	0.1188	0.0516
SL-1	0.2322	0.1009
SL-2	0.3172	0.1378
SL-3	0.3731	0.1621
SL-4	0.4701	0.2042
1-1	0.1873	0.0814
1-2	0.2723	0.1183
1-3	0.3282	0.1426
1-4	0.4252	0.1847
2-2	0.1992	0.0866
2-3	0.2551	0.1108
2-4	0.3492	0.1517
3-3	0.1766	0.0768
3-4	0.2707	0.1177
4-4	0.2056	0.0893

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Notes:

- The STF commodity rate is the applicable FT commodity rate in Section 4.1.
 The STF overrun rate equals the daily demand rate plus applicable FT commodity rate.
 Minimum rate: Demand \$-0- The minimum commodity rate is presented in Section 4.12.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Tennessee Gas Pipeline Company, L.L.C.
FERC NGA Gas Tariff
Sixth Revised Volume No. 1

Fifth Revised Sheet No. 14
Superseding
Fourth Revised Sheet No. 14

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

=====

Base Reservation Rates		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$5,7504		\$12,1229	\$16,3405	\$16,6314	\$18,3503	\$19,4843	\$24,4547	
L		\$5,0941							
1	\$8,7060		\$8,3414	\$11,1329	\$15,8114	\$15,6260	\$17,6356	\$21,6916	
2	\$16,3406		\$11,0654	\$5,7084	\$5,3300	\$6,8689	\$9,4859	\$12,2575	
3	\$16,6314		\$8,7447	\$5,7553	\$4,1249	\$6,4085	\$11,6731	\$13,4872	
4	\$21,1425		\$19,4839	\$7,3648	\$11,2429	\$5,4700	\$5,9240	\$8,4896	
5	\$25,2282		\$17,6984	\$7,7303	\$9,3742	\$6,0880	\$5,7043	\$7,4396	
6	\$29,1846		\$20,3275	\$13,9551	\$15,3850	\$10,8692	\$5,6613	\$4,8846	

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$0.1891		\$0.3986	\$0.5372	\$0.5468	\$0.6033	\$0.6406	\$0.8040	
L		\$0.1675							
1	\$0.2862		\$0.2742	\$0.3660	\$0.5198	\$0.5137	\$0.5798	\$0.7131	
2	\$0.5372		\$0.3638	\$0.1877	\$0.1752	\$0.2258	\$0.3119	\$0.4030	
3	\$0.5468		\$0.2875	\$0.1892	\$0.1356	\$0.2107	\$0.3638	\$0.4434	
4	\$0.6951		\$0.6406	\$0.2421	\$0.3696	\$0.1798	\$0.1948	\$0.2791	
5	\$0.8294		\$0.5819	\$0.2541	\$0.3082	\$0.2002	\$0.1875	\$0.2446	
6	\$0.9595		\$0.6683	\$0.4588	\$0.5058	\$0.3573	\$0.1861	\$0.1606	

Maximum Reservation Rates 2/, 3/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$5,7504		\$12,1229	\$16,3405	\$16,6314	\$18,3503	\$19,4843	\$24,4547	
L		\$5,0941							
1	\$8,7060		\$8,3414	\$11,1329	\$15,8114	\$15,6260	\$17,6356	\$21,6916	
2	\$16,3406		\$11,0654	\$5,7084	\$5,3300	\$6,8689	\$9,4859	\$12,2575	
3	\$16,6314		\$8,7447	\$5,7553	\$4,1249	\$6,4085	\$11,6731	\$13,4872	
4	\$21,1425		\$19,4839	\$7,3648	\$11,2429	\$5,4700	\$5,9240	\$8,4896	
5	\$25,2282		\$17,6984	\$7,7303	\$9,3742	\$6,0880	\$5,7043	\$7,4396	
6	\$29,1846		\$20,3275	\$13,9551	\$15,3850	\$10,8692	\$5,6613	\$4,8846	

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions of \$0,0000.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0,0000.

Tennessee Gas Pipeline Company, L.L.C.
FERC NGA Gas Tariff
Sixth Revised Volume No. 1

Seventh Revised Sheet No. 15
Superseding
Sixth Revised Sheet No. 15

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.2751	\$0.2625	\$0.3124
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.2339	\$0.2385	\$0.2723
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0757	\$0.1214	\$0.1345
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.1012	\$0.1400	\$0.1528
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0468	\$0.0662	\$0.1073
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0659	\$0.0653	\$0.0811
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.1014	\$0.0549	\$0.0334

Minimum
Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0050		\$0.0133	\$0.0195	\$0.0237	\$0.0268	\$0.0302	\$0.0364
L		\$0.0030						
1	\$0.0060		\$0.0099	\$0.0165	\$0.0197	\$0.0228	\$0.0274	\$0.0318
2	\$0.0185		\$0.0105	\$0.0030	\$0.0046	\$0.0074	\$0.0118	\$0.0161
3	\$0.0225		\$0.0187	\$0.0044	\$0.0020	\$0.0099	\$0.0136	\$0.0181
4	\$0.0268		\$0.0223	\$0.0105	\$0.0123	\$0.0046	\$0.0064	\$0.0110
5	\$0.0302		\$0.0274	\$0.0118	\$0.0136	\$0.0064	\$0.0064	\$0.0084
6	\$0.0364		\$0.0318	\$0.0161	\$0.0181	\$0.0104	\$0.0059	\$0.0038

Maximum
Commodity Rates 1/, 2/, 3/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0050		\$0.0133	\$0.0195	\$0.0237	\$0.2769	\$0.2643	\$0.3142
L		\$0.0030						
1	\$0.0060		\$0.0099	\$0.0165	\$0.0197	\$0.2357	\$0.2403	\$0.2741
2	\$0.0185		\$0.0105	\$0.0030	\$0.0046	\$0.0775	\$0.1232	\$0.1363
3	\$0.0225		\$0.0187	\$0.0044	\$0.0020	\$0.1030	\$0.1418	\$0.1546
4	\$0.0268		\$0.0223	\$0.0105	\$0.0123	\$0.0486	\$0.0680	\$0.1091
5	\$0.0302		\$0.0274	\$0.0118	\$0.0136	\$0.0677	\$0.0671	\$0.0829
6	\$0.0364		\$0.0318	\$0.0161	\$0.0181	\$0.1032	\$0.0567	\$0.0352

Notes:

- 1/ Includes a per Dth charge for (ACA) Annual Charge Adjustment of \$0.0018
- 2/ The applicable F&LR's and EPCR's, determined pursuant to Article XXXVII of the General Terms and Conditions, are listed on Sheet No. 32. For service that is rendered entirely by displacement and for gas scheduled and allocated for receipt at the Dracut, Massachusetts receipt point, Shipper shall render only the quantity of gas associated with Losses of 0.21%.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0000.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2012-00XXX

Calculation of Gas Cost Actual Adjustment (GCAA)

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of over-recovery from Case Number 2011-00402 during the three-month period of November 1, 2011 through January 31, 2012, was \$3,070,230. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a credit of 0.975¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after May 1, 2012, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from November through January 2012. [Please note that the names of the suppliers have been redacted from this page, in accordance with LG&E's petition for confidentiality filed this quarter.]

Also in this filing, LG&E will be eliminating the GCAA from Case Number 2010-00387, with service rendered through April 30, 2012, which will have been in effect for twelve months. Any over- or under-recovery of the amount originally established in this GCAA will be transferred to the Gas Cost Balance Adjustment (GCBA) which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after the month of May 2012.

Therefore, the Gas Cost Actual Adjustment will be as follows:

Current Quarter Actual Adjustment:	
Effective May 1, 2012 from 2011-00402	(0.975) cents/Ccf
Previous Quarter Actual Adjustment:	
Effective February 1, 2011 from 2011-00228	(0.658) cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective November 1, 2011 from 2011-00119	(0.092) cents/Ccf
3rd Previous Quarter Actual Adjustment:	
Effective August 1, 2011 from 2010-00525	0.543 cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	(1.182) cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation of Gas Cost Actual Adjustment
Which Compensates for Over- or Under-
Recoveries of Gas Supply Costs

Start Date	End Date	Case Number	(1) Cost Recovery Under GSC Compared to (2) Actual Gas Supply Costs			(3) Derivation of Gas Cost Actual Adjustment (GCAA) (4) Which Compensates for Over or Under Recoveries			
			Total Dollars of Gas Cost Recovered ¹	Gas Supply Cost Per Books ²	Over Or (Under) Recovery (1) - (2)	Expected Mcf Sales for 12- Month Period From Date Implemented	GCAA Per Mcf	GCAA Per 100 Cu. Ft.	Implemented With Service Rendered On
Nov-2008	Jan-2009	1 (Case No. 2008-00430)	160,934,391	149,043,803	11,890,588	31,428,998	(\$0.3783)	(\$0.03783)	5/1/2009
Feb-2009	Apr-2009	2 (Case No. 2008-00564)	95,581,282	87,981,656	7,599,626	31,397,214	(\$0.2420)	(\$0.02420)	8/1/2009
May-2009	Jul-2009	3 (Case No. 2009-00140)	15,921,233	11,144,190	4,777,043	31,406,285	(\$0.1521)	(\$0.01521)	11/1/2009
Aug-2009	Oct-2009	4 (Case No. 2009-00248)	18,715,652	14,915,016	3,800,636	31,751,457	(\$0.1197)	(\$0.01197)	2/1/2010
Nov-2009	Jan-2010	5 (Case No. 2009-00395)	97,434,409	98,877,723	(1,443,314)	31,630,904	\$0.0456	\$0.00456	5/1/2010
Feb-2010	Apr-2010	6 (Case No. 2009-00457)	69,543,463	67,237,660	2,305,803	31,614,470	(\$0.0729)	(\$0.00729)	8/1/2010
May-2010	Jul-2010	7 (Case No. 2010-00140)	14,187,592	13,637,314	550,278	31,886,918	(\$0.0173)	(\$0.00173)	11/1/2010
Aug-2010	Oct-2010	8 (Case No. 2010-00263)	18,348,910	13,370,152	4,978,758	31,985,477	(\$0.1557)	(\$0.01557)	2/1/2011
Nov-2010	Jan-2011	9 (Case No. 2010-00387)	93,708,777	94,120,400	(411,623)	31,929,816	\$0.0129	\$0.00129	5/1/2011
Feb-2011	Apr-2011	10 (Case No. 2010-00525)	58,344,142	60,076,947	(1,732,805)	31,915,052	\$0.0543	\$0.00543	8/1/2011
May-2011	Jul-2011	11 (Case No. 2011-00119)	16,571,886	16,280,721	291,165	31,673,062	(\$0.0092)	(\$0.00092)	11/1/2011
Aug-2011	Oct-2011	12 (Case No. 2011-00228)	19,148,513	17,069,244	2,079,269	31,617,677	(\$0.0658)	(\$0.00658)	2/1/2012
Nov-2011	Jan-2012	13 (Case No. 2011-00402)	65,125,536	62,055,305	3,070,230	31,482,775	(\$0.0975)	(\$0.00975)	5/1/2012

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Gas Costs Recovered
 Under Company's Gas Supply Clause

	Monthly Mcf Sales ¹	August 1, 2010 through October 31, 2010	November 1, 2010 through January 31, 2011	February 1, 2011 through April 30, 2011	May 1, 2011 through July 31, 2011	August 1, 2011 through October 31, 2011	November 1, 2011 through January 31, 2012
1	AUG	662,686	381,771				
2	SEP	712,178	712,178				
3	OCT	881,009	881,009				
4	NOV	1,733,121	811,643	921,478			
5	DEC	4,910,152		4,910,152			
6	2011 JAN	7,499,514		7,499,514			
7	FEB	5,965,533	3,555,852	2,409,681			
8	MAR	4,299,476		4,299,476			
9	APR	2,828,499		2,828,499			
10	MAY	1,553,116		852,724	700,392		
11	JUN	1,037,087			1,037,087		
12	JUL	771,444			771,444		
13	AUG	770,697			345,110	425,587	
14	SEP	798,228				798,228	
15	OCT	1,080,900				1,080,900	
16	NOV	2,056,028				1,015,706	1,040,323
17	DEC	3,544,651					3,544,651
18	2012 JAN	5,249,746					5,249,746
19	FEB	4,984,372					2,640,364
20	Applicable Mcf Sales During 3 Month Period	2,786,602	16,886,997	10,390,380	2,854,033	3,320,420	12,475,084
21	Gas Supply Clause Case No.	2010-00263	2010-00387	2010-00525	2011-00119	2011-00228	2011-00402
22	Gas Supply Cost Recovered Per Mcf Sold	6.4243	5.4901	5.4160	5.7439	5.7032	5.2073
23	Dollars of Recovery Under GSC	\$ 17,901,964	\$ 92,711,302	\$ 56,274,299	\$ 16,393,278	\$ 18,937,020	\$ 64,961,505
24	Total Dollars Recovered During 3-Month Period						
25	Mcf of Customer-Owned Gas Transported Under Rate TS	15,197	16,446	6,197	12,963	12,585	11,951
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period						
27	Pipeline Suppliers' Demand Component Per Mcf	0.9824	0.8755	0.8726	0.8753	0.8735	0.8202
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)	\$ 14,930	\$ 14,398	\$ 5,407	\$ 11,347	\$ 10,993	\$ 9,802
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$ 208,141	\$ 338,700	\$ 154,196	\$ 167,261	\$ 200,499	\$ 154,228
30	Revenues from Off-system Sales	\$ 223,875	\$ 644,377	\$ 1,910,240	\$ -	\$ -	\$ -
31	Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30)	\$ 18,348,910	\$ 93,708,777	\$ 58,344,142	\$ 16,571,886	\$ 19,148,513	\$ 65,125,536

1. Monthly Mcf Sales include volumes for Natural Gas Vehicles (NGVs).

LOUISVILLE GAS AND ELECTRIC COMPANY
Summary of Gas Costs Recovered
Under Provisions of Rate FT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(16)	(10)	(11)
Billing Month	Case Number	UCDI Demand Chrg / Mcf	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	MMBTU Adjust. (Mcf)	MMBTU Adjust. (\$)	UCDI Mcf	UCDI \$ [(3) x (10)]	OFO Mcf	OFO \$	Monthly \$'s Recovered [(5)+(7)+(9)+(10)]
2010 Aug	2010-00263	0.1876	4,571.7	\$26,244.32	-	\$ -	47,201.2	\$8,854.95		\$0.00	\$35,099.27
Sep	2010-00263	0.1876	11,779.6	\$50,357.79	-	\$ -	65,712.9	\$12,327.74		\$0.00	\$62,685.53
Oct	2010-00263	0.1876	23,284.2	\$93,753.92	-	\$ -	88,500.8	\$16,602.75		\$0.00	\$110,356.67
Total FT Revenues											\$208,141.47
2010 Nov	2010-00387	0.1848	32,322.8	\$146,250.76	-	\$ -	95,937.2	\$17,729.19		\$0.00	\$163,979.95
Dec	2010-00387	0.1848	7,184.5	\$36,533.18	-	\$ -	246,546.5	\$45,561.79		\$56,416.90	\$138,511.87
2011 Jan	2010-00387	0.1848	766.1	\$4,056.63	-	\$ -	169,885.6	\$31,394.86		\$756.29	\$36,207.78
Total FT Revenues											\$338,699.60
2011 Feb	2010-00525	0.1847	1,996.9	\$10,320.78	-	\$ -	106,431.5	\$19,657.90		\$2,596.50	\$32,575.18
Mar	2010-00525	0.1847	12,438.6	\$57,279.74	-	\$ -	91,645.4	\$16,926.91		\$0.00	\$74,206.65
Apr	2010-00525	0.1847	5,924.5	\$27,231.62	-	\$ -	109,274.4	\$20,182.98		\$0.00	\$47,414.60
Total FT Revenues											\$154,196.43
2011 May	2011-00119	0.1850	875.4	\$4,245.70	-	\$ -	92,563.7	\$17,124.28		\$0.00	\$21,369.98
Jun	2011-00119	0.1850	7,084.7	\$36,379.94	-	\$ -	61,428.6	\$11,364.28		\$0.00	\$47,744.22
Jul	2011-00119	0.1850	17,148.7	\$84,347.57	-	\$ -	74,589.0	\$13,798.97		\$0.00	\$98,146.54
Total FT Revenues											\$167,260.74
2011 Aug	2011-00228	0.1846	5,121.2	\$23,353.91	-	\$ -	52,449.1	\$9,682.10		\$0.00	\$33,036.01
Sep	2011-00228	0.1846	10,008.4	\$42,551.13	-	\$ -	79,839.2	\$14,738.32		\$0.00	\$57,289.45
Oct	2011-00228	0.1846	22,100.0	\$85,924.96	-	\$ -	131,359.1	\$24,248.89		\$0.00	\$110,173.85
Total FT Revenues											\$200,499.31
2011 Nov	2011-00402	0.1720	11,160.6	\$41,260.73	-	\$ -	99,379.8	\$17,093.33		\$0.00	\$58,354.06
Dec	2011-00402	0.1720	11,431.0	\$43,698.79	-	\$ -	121,592.1	\$20,913.84		\$0.00	\$64,612.63
2012 Jan	2011-00402	0.1720	2,506.6	\$8,307.52	-	\$ -	133,454.6	\$22,954.19		\$0.00	\$31,261.71
Total FT Revenues											\$154,228.40

Note: Should a Customer served under Rate FT under-nominate its monthly gas supply needs, a Cash-Out Sale is made to the Customer. This sale, which is based upon the cash-out price established in Rate FT, is also flowed through the GCAA as revenue.

Note: Changes in billings of the Cash-out Provision caused by variations in the MMBTU content of the gas are corrected on the following month's bill. Should such change occur as a charge to the customer, such revenue is flowed through the GCAA.

Note: Effective February 6, 2009, Rate RBS was eliminated per PSC Order dated February 5, 2009, in Case No. 2008-00252.

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

	MCF							DOLLARS							Total Gas Supply Cost
	Mcf Purchases	Purchases for OSS	Less: Purchases for Depts. other Than Gas Dept.	Less: Purchases Injected Into Storage	Plus: Mcf Withdrawn From Storage	Plus Storage Losses	Mcf Sendout (Gas Dept)	Purchased Gas Costs	Purchased Gas Costs for OSS	Less: Purchases for Non-Gas Departments	Less: Purchases Injected Into Storage	Plus: Cost of Gas Withdrawn From Storage	Plus Storage Losses	Plus: Other Gas Purchase Expenses	
May	380,442	0	(525)	0	812,417	27,504	1,219,838	1,843,701	0	(2,619)	0	3,987,749	135,003	2,645	5,966,479
June	2,347,475	0	(1,899)	(1,610,308)	727	29,105	765,100	12,306,697	0	(9,849)	(8,561,202)	3,694	147,900	2,624	3,889,863
July	3,673,725	0	(90)	(2,955,369)	397	34,824	753,487	19,289,947	0	(401)	(15,693,600)	2,057	180,461	2,508	3,780,972
Total May 2010 thru July 2010							2,738,425								13,637,314
August	3,568,417	0	(489)	(2,843,349)	238	42,082	766,899	17,905,651	0	(2,495)	(14,507,051)	1,228	217,072	2,985	3,617,390
September	3,548,147	58,536	(101)	(2,768,192)	29,316	45,312	913,018	15,241,633	214,200	(575)	(12,094,508)	145,994	225,654	2,780	3,735,177
October	3,254,524	0	(97)	(1,940,620)	818	49,670	1,364,295	14,655,268	0	(477)	(8,888,622)	4,029	244,630	2,757	6,017,585
Total Aug 2010 thru Oct 2010							3,044,212								13,370,152
November	3,296,004	167,011	(878)	(119,089)	75,345	54,240	3,472,633	15,060,953	551,219	(4,201)	(552,418)	370,893	267,013	2,483	15,695,942
December	5,706,876	0	(3,167)	(404,016)	2,251,740	47,863	7,599,296	29,210,960	0	(15,987)	(2,084,682)	11,099,502	235,931	3,356	38,449,080
January	4,481,843	0	(3,063)	0	3,276,581	41,484	7,796,845	23,631,881	0	(15,099)	0	16,151,251	204,487	2,859	39,975,378
Total November 2010 thru January 2011							18,868,774								94,120,400
February	2,377,796	144,081	(2,134)	0	2,844,904	35,172	5,399,819	13,803,133	630,606	(10,516)	0	14,023,385	173,373	3,109	28,623,091
March	1,863,975	298,154	(2,492)	0	1,983,775	30,437	4,173,849	10,777,227	1,141,207	(12,285)	0	9,778,424	150,030	3,039	21,837,642
April	681,011	0	(1,336)	(10,253)	1,017,732	26,726	1,713,880	4,537,396	0	(6,585)	(71,256)	5,021,999	131,879	2,782	9,616,214
Total February 2011 thru April 2011							11,287,548								60,076,947
May	929,868	0	(725)	0	380,093	27,840	1,337,076	5,806,168	0	(3,575)	0	1,875,569	137,376	2,579	7,818,118
June	2,079,283	0	(528)	(1,253,597)	367	29,784	855,309	11,235,936	0	(3,130)	(6,780,957)	1,869	151,681	2,877	4,608,276
July	3,404,192	0	(740)	(2,669,456)	423	34,399	768,818	17,047,849	0	(3,703)	(13,368,369)	2,139	173,966	2,445	3,854,327
Total May 2011 thru July 2011							2,961,203								16,280,721
August	3,808,843	0	(72)	(3,006,615)	461	40,448	843,065	17,862,107	0	(406)	(13,028,865)	2,224	195,166	3,183	5,033,408
September	3,640,987	0	(74)	(2,782,756)	429	49,402	907,988	15,916,960	0	(356)	(12,057,960)	2,021	233,285	2,802	4,096,752
October	4,022,515	0	(131)	(2,224,981)	1,253	49,335	1,847,991	17,236,506	0	(1,261)	(9,534,044)	5,821	229,191	2,871	7,939,084
Total Aug 2011 thru Oct 2011							3,599,044								17,069,244
November	2,204,565	0	(709)	(108,435)	815,869	49,872	2,961,162	10,771,688	0	(4,211)	(529,824)	3,791,670	231,775	2,822	14,263,920
December	2,746,051	0	(1,252)	(6,025)	1,975,679	46,841	4,761,294	12,848,161	0	(5,820)	(28,190)	9,181,771	217,689	2,689	22,216,299
January	3,289,894	0	(2,256)	(34,846)	2,632,319	41,911	5,927,022	13,299,803	0	(10,482)	(140,868)	12,228,701	194,702	3,230	25,575,086
Total Nov 2011 thru Jan 2012							13,649,478								62,055,305

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2011 THROUGH JANUARY 2012

DELIVERED BY TEXAS GAS TRANSMISSION, LLC COMMODITY AND VOLUMETRIC CHARGES:			NOVEMBER 2011			DECEMBER 2011			JANUARY 2012		
			NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
NATURAL GAS SUPPLIERS:			601,770	587,093	\$2,135,700.00	621,829	606,662	\$2,109,240.00	621,829	606,662	\$1,926,960.00
1 .	A		0	0	\$0.00	142,500	139,024	\$489,157.20	0	0	\$0.00
2 .	B		9,551	9,318	\$30,900.00	0	0	\$0.00	0	0	\$0.00
3 .	C		313,500	305,854	\$1,129,145.60	0	0	\$0.00	28,500	27,805	\$80,418.80
4 .	D		423,352	413,026	\$1,459,927.22	0	0	\$0.00	108,654	106,004	\$302,800.00
5 .	E		0	0	\$0.00	0	0	\$0.00	418,300	408,098	\$1,159,527.72
6 .	F		0	0	\$0.00	364,000	355,122	\$1,203,519.80	0	0	\$0.00
7 .	G		33,429	32,614	\$118,650.00	0	0	\$0.00	0	0	\$0.00
8 .	H		1,381,602	1,347,905	\$4,874,322.92	1,128,329	1,100,808	\$3,801,917.00	1,177,283	1,148,569	\$3,469,706.52
NO-NOTICE SERVICE ("NNS") STORAGE:			427,358	416,935	\$1,514,214.87	705,591	688,381	\$2,410,369.42	1,048,808	1,023,227	\$3,148,102.09
1 .	WITHDRAWALS		(182,364)	(177,916)	(\$646,152.12)	(37,929)	(37,004)	(\$129,569.26)	0	0	\$0.00
2 .	INJECTIONS		911	(3,572)	\$3,345.20	0	4,698	\$0.00	0	11,958	\$0.00
3 .	ADJUSTMENTS		0	0	\$337.17	0	0	\$0.00	0	0	\$0.00
4 .	ADJUSTMENTS		0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
5 .	ADJUSTMENTS		0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
NET NNS STORAGE			245,905	235,447	\$871,745.12	667,662	656,075	\$2,280,800.16	1,048,808	1,035,185	\$3,148,102.09
NATURAL GAS TRANSPORTERS:					\$95,996.09			\$102,445.15			\$129,294.13
1 .	TEXAS GAS TRANSMISSION, LLC		0	58,898	(\$1,625.05)	0	25,500	\$0.15	0	20,205	\$0.24
2 .	ADJUSTMENTS		0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
3 .	ADJUSTMENTS		0	0	\$0.00	1,795,991	1,783,383	\$102,445.30	2,226,091	2,203,959	\$129,294.37
TOTAL			1,627,507	1,642,250	\$94,371.04			\$102,445.30			\$129,294.37
TOTAL COMMODITY AND VOLUMETRIC CHARGES					\$5,840,439.08			\$6,185,162.46			\$6,747,102.98
DEMAND AND FIXED CHARGES:					\$2,385,693.00			\$2,465,216.10			\$2,465,216.10
1 .	TEXAS GAS TRANSMISSION, LLC				\$0.00			\$0.00			\$0.00
2 .	ADJUSTMENTS				\$139,285.64			\$399,637.51			\$398,120.72
3 .	SUPPLY RESERVATION CHARGES				\$0.00			\$0.00			\$0.00
4 .	ADJUSTMENTS				\$0.00			\$0.00			\$0.00
5 .	CAPACITY RELEASE CREDITS				\$0.00			\$0.00			\$0.00
6 .	ADJUSTMENTS				\$0.00			\$0.00			\$0.00
TOTAL DEMAND AND FIXED CHARGES					\$2,524,978.64			\$2,864,853.61			\$2,863,336.82
TOTAL PURCHASED GAS COSTS - TEXAS GAS TRANSMISSION, LLC					\$8,365,417.72			\$9,050,016.07			\$9,610,439.80

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2011 THROUGH JANUARY 2012

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY
COMMODITY AND VOLUMETRIC CHARGES:

NATURAL GAS SUPPLIERS:

- 1 . I
- 2 . J
- 3 . K
- 4 . L
- 5 . M

	NOVEMBER 2011			DECEMBER 2011			JANUARY 2012		
	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
220,000	213,592	\$765,279.02	280,000	252,427	\$869,941.28	200,000	194,175	\$616,140.40	
188,030	182,553	\$549,629.52	0	0	\$0.00	0	0	\$0.00	
98,031	95,176	\$314,650.00	210,765	204,626	\$635,425.00	377,419	366,426	\$999,300.00	
20,586	19,986	\$66,990.00	235,272	228,419	\$708,100.00	357,589	347,174	\$929,918.72	
0	0	\$0.00	240,000	233,010	\$805,487.67	120,000	116,505	\$370,908.38	
526,647	511,307	\$1,696,548.54	946,037	918,482	\$3,018,933.95	1,055,008	1,024,280	\$2,916,267.48	
					\$16,555.65			\$18,462.65	
		\$9,216.32			\$16,744.85			\$18,673.63	
1 . TENNESSEE GAS PIPELINE COMPANY		\$9,321.65			\$16,744.85			\$18,673.63	
2 . TENNESSEE GAS PIPELINE COMPANY	(368)	30,971	(\$2,291.37)	796	8,413	\$2,636.54	(44)	14,070	(\$147.63)
3 . ADJUSTMENTS	0	0	\$0.00	0	0	\$0.01	0	0	\$0.01
4 . ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	(\$0.03)
5 . ADJUSTMENTS	0	0	\$0.00	0	0	\$947.95	(2)	(2)	\$6.51
6 . ADJUSTMENTS	0	0	\$0.00	0	0	(\$947.95)	0	0	(\$0.03)
7 . ADJUSTMENTS	0	0	\$0.00	0	0	\$35,937.05	0	0	\$38,995.11
TOTAL	526,279	542,278	\$16,246.60	946,833	926,895	\$35,937.05	1,054,962	1,038,348	\$38,995.11
TOTAL COMMODITY AND VOLUMETRIC CHARGES			\$1,712,795.14			\$3,054,871.00			\$2,953,262.59
						\$329,664.00			\$329,664.00
DEMAND AND FIXED CHARGES:			\$329,664.00			\$0.00			\$0.00
1 . TENNESSEE GAS PIPELINE COMPANY			\$0.00			\$303,154.01			\$302,328.10
2 . TRANSPORTATION BY OTHERS			\$292,260.27			\$0.00			\$0.00
3 . SUPPLY RESERVATION CHARGES			\$0.00						\$631,992.10
4 . CAPACITY RELEASE CREDITS			\$621,924.27			\$632,818.01			\$3,585,254.69
TOTAL DEMAND AND FIXED CHARGES			\$621,924.27			\$3,687,689.01			\$3,585,254.69
TOTAL PURCHASED GAS COSTS - TENNESSEE GAS PIPELINE COMPANY			\$2,334,719.41						
						\$110,456.17		47,587	\$104,108.98
OTHER PURCHASES	20,037		\$71,551.09	35,773		\$110,456.17	35,773	47,587	\$104,108.98
1 . CASH-OUT OF CUSTOMER OVER-DELIVERIES	20,037		\$71,551.09						
TOTAL	2,153,786	2,204,565	\$10,771,688.22	2,742,824	2,746,051	\$12,848,161.25	3,281,053	3,269,894	\$13,299,803.47
TOTAL PURCHASED GAS COSTS - ALL PIPELINES									

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2012-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over- or under-recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The over-recovery that must be returned under the Gas Cost Balance Adjustment (GCBA) during the period of May 1 2012 through July 31, 2012, set forth on Page 1 of Exhibit C-1, is \$446,325. The GCBA factor required to return this over-recovery is a refund of 1.593¢ per 100 cubic feet. LG&E will place this refund into effect with service rendered on and after May 1, 2012 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2011-00523, which, with service rendered through April 2012, will have been in effect for three months. Any over- or under-recovery of the amount originally established will be transferred to the GCBA which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after May 1, 2012.

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Quarterly Gas Cost Balance Adjustment
 To Compensate for Over or (Under) Recoveries
 From the Gas Cost Actual Adjustment (GCAA) and
 Gas Cost Balance Adjustment (GCBA)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Implemented for Three-Month Period With Service Rendered On and After:	Remaining Over (Under) Recovery From GCAA ¹ (\$)	Amt. Transferred From Refund Factor & PBRRC (\$)	GCBA From Second Preceding 3 Mo. Period (\$)	Applicable Sales During 3 Mo. Period ² (mcf)	GCBA Factor From Second Preceding 3 Mo. Period (cents/mcf)	Recovery Under GCBA (\$)	Remaining Over (Under) Recovery (\$)	Deferred Amounts (\$)	Total Remaining Over (Under) Recovery (\$)	Expected Sales For 3 Mo. Period (mcf)	GCBA (cents/mcf)	GCBA (cents/ccf)
						(5) x (6)	(4) + (7)		(2 + 3 + 8 + 9)			
August 1, 2007 (Case No. 2007-00267)	2,151,894	(470,308) ⁴	442,448	12,051,122	(3.76)	(453,122)	(10,674)	1,670,912	3,349,006	(49.89)	(4.989)	
November 1, 2007 (Case No. 2007-00428)	2,200,035	20,942 ⁵	(3,123,326)	2,614,844	107.65	2,814,880	(308,446)	1,912,531	15,504,337	(12.34)	(1.234)	
February 1, 2008 (Case No. 2007-00559)	8,464		1,670,912	2,869,583	(49.89)	(1,431,635)	239,277	247,741	11,191,562	(2.21)	(0.221)	
May 1, 2008 (Case No. 2008-00117)	150,798		1,912,531	14,429,576	(12.34)	(1,780,610)	131,921	282,719	2,745,844	(10.30)	(1.030)	
August 1, 2008 (Case No. 2008-00246)	(169,651)	(260,366) ⁴	247,741	12,450,630	(2.21)	(275,159)	(27,418)	(457,436)	3,682,115	12.42	1.242	
November 1, 2008 (Case No. 2008-00430)	(239,644)		282,719	2,898,628	(10.30)	(298,559)	(15,839)	(255,483)	15,435,648	1.66	0.166	
February 1, 2009 (Case No. 2008-00564)	(42,473)	(1,307,422) ⁶	(457,436)	3,162,873	12.42	392,829	(64,607)	(1,414,502)	11,250,108	12.57	1.257	
May 1, 2009 (Case No. 2009-00140)	(277,968)		(255,483)	15,899,387	1.66	263,930	8,446	(269,522)	2,870,045	9.39	0.939	
August 1, 2009 (Case No. 2009-00248)	34,233	142,782 ⁴	(1,414,502)	10,527,702	12.57	1,323,332	(91,170)	85,845	3,348,186	(2.56)	(0.256)	
November 1, 2009 (Case No. 2009-00395)	(61,729)		(269,522)	2,606,156	9.39	244,718	(24,804)	(86,533)	15,002,877	0.58	0.058	
February 1, 2010 (Case No. 2009-00457)	207,342		85,845	3,296,439	(2.56)	(84,389)	1,456	208,798	11,471,206	(1.82)	(0.182)	
May 1, 2010 (Case No. 2010-00140)	(158,970)		(86,533)	15,306,756	0.58	88,779	2,246	(156,724)	2,789,591	5.62	0.562	
August 1, 2010 (Case No. 2010-00263)	(349,419)	416,195 ⁷	208,798	11,145,941	(1.82)	(202,856)	5,942	72,719	3,277,139	(2.22)	(0.222)	
November 1, 2010 (Case No. 2010-00387)	(210,223)		(156,724)	2,522,968	5.62	141,791	(14,933)	(43,142)	12,001,853	1.57	0.157	
February 1, 2011 (Case No. 2010-00525)	(53,998)		72,719	2,786,602	(2.22)	(61,863)	10,856	(160,548)	2,917,118	0.36	0.036	
May 1, 2011 (Case No. 2011-00119)	(190,462)	(10,056) ⁸	(225,156)	16,886,997	1.57	265,126	39,970	122,651	3,181,360	5.50	0.550	
August 1, 2011 (Case No. 2011-00228)	42,651	85,738 ⁴	(43,142)	10,390,380	0.36	37,405	(5,737)	(100,078)	14,890,364	(3.86)	(0.386)	
November 1, 2011 (Case No. 2011-00402)	(93,920)		(160,548)	2,854,033	5.50	156,972	(3,576)	(37,654)	11,202,749	0.67	0.067	
February 1, 2012 (Case No. 2011-00523)	(28,439)	(3,698) ⁸	122,651	3,320,420	(3.86)	(128,168)	(5,517)	446,325	2,802,261 ³	0.34	0.034	
May 1, 2012 (Case No. 2012-00xxx)	457,243	5,577 ⁸	(100,078)	12,475,084	0.67	83,583	(16,495)			(15.93)	(1.593)	

1 See Exhibit C-1, page 2.

2 Corresponds with actual applicable sales shown on Exhibit B-1, page 2.

3 For The Three-Month Period From May 1, 2012 through July 31, 2012.

4 Reconciliation of the PBRCC from previous twelve months.

5 This amount represents an over-refund by LG&E from the FERC settlement of the rate case filed by Texas Gas in Docket No. RP05-317 of a pipeline supplier refund.

6 This amount represents an over-refund by LG&E from Case No. 2007-00141 due to an input error as explained in Exhibit B in Case No. 2007-00559. This adjustment corrects that error.

7 Of the total of \$416,195, \$(42,762) represents the reconciliation of the PBRCC from previous twelve months, and \$458,957 represents the total over-recovery related to misstated sales as corrected in this filing.

8 This amount represents the (Over)/Under refund by LG&E from the Tennessee Gas Pipeline Company Refund from the previous twelve months.

					Amount of Over (Under) Recovery – See Exhibit B-1, Page 1	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under
					November 1, 2009	February 1, 2010	May 1, 2010	August 1, 2010	November 1, 2010	February 1, 2011
					GAOA Case No. 2009-00140	GAOA Case No. 2009-00248	GAOA Case No. 2009-00395	GAOA Case No. 2009-00457	GAOA Case No. 2010-00140	GAOA Case No. 2010-00263
					November 1, 2009	February 1, 2010	May 1, 2010	August 1, 2010	November 1, 2010	February 1, 2011
					\$4,777,043	\$3,800,636	(\$1,443,314)	\$2,305,803	\$550,278	\$4,978,758
					Amount Billed Under -15.21 cents per Mcf	Amount Billed Under -11.97 cents per Mcf	Amount Billed Under 4.56 cents per Mcf	Amount Billed Under -7.29 cents per Mcf	Amount Billed Under -1.73 cents per Mcf	Amount Billed Under -15.57 cents per Mcf
Total Monthly (1)	As Pro-Rated for Service Rendered During: Previous (2) Current (3)		Amount Billed Under -15.21 cents per Mcf	Amount Billed Under -11.97 cents per Mcf	Amount Billed Under 4.56 cents per Mcf	Amount Billed Under -7.29 cents per Mcf	Amount Billed Under -1.73 cents per Mcf	Amount Billed Under -15.57 cents per Mcf		
2010 January	6,933,709		(1,054,617.06) (1)	(375,675.68) (3)						
February	6,580,311	3,441,834	(1,000,865.27) (1)	(645,878.43) (1)						
March	5,395,810		(820,702.67) (1)	(253,023.55) (1)						
April	2,113,814		(321,511.12) (1)	(133,954.59) (1)	28,328.79 (3)					
May	1,119,086	497,841	(170,212.98) (1)	(104,964.27) (1)	39,986.39 (1)					
June	876,895		(133,375.65) (1)	(89,046.43) (1)	33,922.45 (1)					
July	743,913		(113,149.23) (1)	(79,323.45) (1)	30,218.46 (1)	(27,831.08) (3)				
August	662,686	280,915	(100,794.46) (1)	(85,247.75) (1)	32,475.34 (1)	(51,917.81) (1)				
September	712,178		(108,322.33) (1)	(105,456.83) (1)	40,174.03 (1)	(64,225.59) (1)				
October	881,009		(134,001.53) (1)	(207,454.62) (1)	79,030.33 (1)	(126,344.54) (1)	(15,941.57) (3)			
November	1,733,121	811,643	(123,450.90) (2)	(587,745.23) (1)	223,902.94 (1)	(357,950.10) (1)	(84,945.63) (1)			
December	4,910,152			(897,691.83) (1)	341,977.84 (1)	(546,714.57) (1)	(129,741.59) (1)	(375,187.32) (3)		
2011 January	7,499,514			(425,635.53) (2)	272,028.32 (1)	(434,887.38) (1)	(103,203.73) (1)	(669,428.46) (1)		
February	5,965,533	3,555,852			196,056.12 (1)	(313,431.82) (1)	(74,380.94) (1)	(440,397.33) (1)		
March	4,299,476				128,979.56 (1)	(206,197.59) (1)	(48,933.04) (1)	(241,820.08) (1)		
April	2,828,499				38,884.20 (2)	(113,222.12) (1)	(26,868.90) (1)	(161,474.51) (1)		
May	1,553,116	852,724				(75,603.67) (1)	(17,941.61) (1)	(120,113.82) (1)		
June	1,037,087					(56,238.26) (1)	(13,345.98) (1)	(119,997.45) (1)		
July	771,444					(25,158.49) (2)	(13,333.05) (1)	(124,284.07) (1)		
August	770,697	345,110					(13,809.34) (1)	(168,296.13) (1)		
September	798,228						(18,699.57) (1)	(320,123.59) (1)		
October	1,080,900						(17,571.71) (2)	(551,902.15) (1)		
November	2,056,028	1,015,706						(817,385.48) (1)		
December	3,544,651							(411,104.71) (2)		
2012 January	5,249,746									
February	4,984,372	2,640,364								
Total Amount Billed Under GCAA					(4,831,041)	(3,991,098)	1,485,965	(2,399,723)	(578,717)	(4,521,515)
Remaining Amount of Over (Under) Recovery					(53,998)	(190,462)	42,651	(93,920)	(28,439)	457,243

(1) GCAA Times Sales Shown in Column 1.
(2) GCAA Times Sales Shown in Column 2.
(3) GCAA Times Sales Shown in Column 3.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2012-00XXX**

Refund Factors (RF) continuing for twelve months from the effective date of each or until LG&E has discharged its refund obligations thereunder.

The purpose of this adjustment is to pass through refunds received by Louisville Gas and Electric Company ("LG&E") associated with Tennessee Gas Pipeline Company ("Tennessee").

The Federal Energy Regulatory Commission ("FERC") approved the settlement filed by Tennessee in Docket Nos. RP91-203 and RP92-132 regarding refunds related to amounts collected by Tennessee to cover certain of its PCB remediation costs. Such amounts have been over-collected by Tennessee and are now being refunded to its customers in installments through April 2012. The refunds approved became effective December 3, 2009, covering the period from November 1, 1996 (when LG&E first began taking firm service from Tennessee under Rate Schedule FT-A) through June 30, 2000 (when the surcharge was reduced by Tennessee to zero with FERC approval).

As shown on Exhibit D-1, the expected refund obligation, including interest, from the refund received January 6, 2012, is \$139,275.70. The estimated interest on the refundable amount is calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12 months period, less 1/2 of 1 percent to cover the cost of refunding. Estimated interest, calculated pursuant to Commission direction, is estimated to be zero for the current 12-month refund period.

Since the amounts were charged to and allocated from LG&E's demand customers on a demand basis, the refunds must now also be credited on a demand basis. Therefore, the Refund Factor will be as follows:

Current Quarter Refund Factor:	
Effective May 1, 2012	0.044 cents/Ccf
1st Previous Quarter Refund Factor:	
Effective February 1, 2012	0.041 cents/Ccf
2nd Previous Quarter Refund Factor:	
Effective November 1, 2011	0.044 cents/Ccf
3rd Previous Quarter Refund Factor:	
Effective August 1, 2011	0.043 cents/Ccf
Total Refund Factor (RF)	0.172 cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

**Gas Supply Clause 2012-000XX
Calculation of Refund Factor**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Start Date	End Date	Case Number	<u>Total Cash Refund Related to Demand</u>	<u>Plus Interest on Refundable Amount</u>	<u>Expected Refund Obligation Including Interest</u>	<u>Expected Mcf Sales for the 12- month Period</u>	<u>Refund Factor per Mcf (\$/Mcf)</u>	<u>Refund Factor per Ccf (cents/Ccf)</u>
					(4) + (5)		(6) / (7)	
Aug-2011	Jul-2012	(Case No. 2011-00228)	\$ 139,275.70	\$ -	\$ 139,275.70	32,062,600	\$ 0.0043	0.043 ¢
Nov-2011	Oct-2012	(Case No. 2011-00402)	\$ 139,275.70	\$ -	\$ 139,275.70	31,769,852	\$ 0.0044	0.044 ¢
Feb-2012	Jan-2013	(Case No. 2011-00523)	\$ 139,275.70	\$ -	\$ 139,275.70	34,000,081	\$ 0.0041	0.041 ¢
May-2012	Apr-2013	(Case No. 2012-00xxx)	\$ 139,275.70	\$ -	\$ 139,275.70	31,579,302	\$ 0.0044	0.044 ¢

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2012-00xxx
Calculation of Performance Based Rate Recovery Component (PBRRC)**

The purpose of the PBRRC is to collect Louisville Gas and Electric Company's portion of the savings created under the gas supply cost PBR. In accordance with the Orders of the Commission in Case No. 2001-00017 dated October 26, 2001, and Case No. 2005-00031 dated May 27, 2005, LG&E is making this filing, the PBRRC established in Case No. 2008-00564, became applicable to gas service rendered on and after February 1, 2010 and remained in effect until January 31, 2011, after which time a new adjustment level was implemented. Therefore, as shown in the following table, the PBRRC amount which became effective with gas service rendered on and after February 1, 2012, and will remain in effect until January 31, 2013, is \$0.00351 and \$0.00715 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00351/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00715/Ccf</u>	<u>\$0.00715/Ccf</u>
Total PBRRC	\$0.01066/Ccf	\$0.00715/Ccf

Please note that Louisville Gas and Electric Company's tariff sales volumes receive both the commodity-related and demand-related portion of the PBRRC. Transportation volumes under Rate TS receive only the demand-related portion of the PBRRC.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2012-000XX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2012

	<u>CSPBR Related to Commodity</u>	<u>CSPBR Related to Demand</u>
Shareholder Portion of PBR	\$1,108,429	\$2,267,841
Expected Mcf Sales for the 12 month period beginning February 1, 2012	31,617,677	31,714,204
PBRRC factor per Mcf	\$0.0351	\$0.0715
PBRRC factor per Ccf	\$0.00351	\$0.00715

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2012-000XX
Shareholder Portion of PBR Savings
PBR Year 15

Split between Demand (Fixed) and Commodity (Volumetric) Components
As Determined in LG&E's Fourth Quarterly PBR Filing

	<u>Commodity</u>	<u>Demand</u>	<u>Total</u>
Company Share of PBR Savings or (Expenses) (CSPBR)	\$1,108,429	\$2,267,841	\$3,376,270

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
May 1, 2012 through July 31, 2012**

	RATE PER 100 CUBIC FEET				TOTAL
	BASIC SERVICE CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
RATE RGS - RESIDENTIAL					
BASIC SERVICE CHARGE	\$12.50				
ALL CCF		\$0.22396	\$0.34904	0.01709	\$0.59009
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$30.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.18722	\$0.34904	0.00137	\$0.53763
OVER 1000 CCF/MONTH		\$0.13722	\$0.34904	0.00137	\$0.48763
NOVEMBER THRU MARCH					
ALL CCF		\$0.18722	\$0.34904	0.00137	\$0.53763
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$170.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.18722	\$0.34904	0.00137	\$0.53763
OVER 1000 CCF/MONTH		\$0.13722	\$0.34904	0.00137	\$0.48763
NOVEMBER THRU MARCH					
ALL CCF		\$0.18722	\$0.34904	0.00137	\$0.53763
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$30.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.19022	\$0.34904	0.00000	\$0.53926
OVER 1000 CCF/MONTH		\$0.14022	\$0.34904	0.00000	\$0.48926
NOVEMBER THRU MARCH					
ALL CCF		\$0.19022	\$0.34904	0.00000	\$0.53926
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$170.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.19022	\$0.34904	0.00000	\$0.53926
OVER 1000 CCF/MONTH		\$0.14022	\$0.34904	0.00000	\$0.48926
NOVEMBER THRU MARCH					
ALL CCF		\$0.19022	\$0.34904	0.00000	\$0.53926
Rate AAGS	\$275.00	\$0.05252	\$0.34904	0.00137	\$0.40293
	BASIC SERVICE CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DEMAND CHARGE COMPONENT	TOTAL
RATE DGGS - COMMERCIAL & INDUSTRIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$30.00				
ALL CCF		\$0.02744	\$0.34904	\$ 1.01100	\$1.38748
RATE DGGS - COMMERCIAL & INDUSTRIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$170.00				
ALL CCF		\$0.02744	\$0.34904	\$ 1.01100	\$1.38748

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
May 1, 2012 through July 31, 2012

	<u>RATE PER MCF</u>				
	<u>ADMIN. CHARGE (PER MONTH)</u>	<u>LG&E DIST CHARGE</u>	<u>PIPELINE SUPPLIER'S DEMAND COMPONENT</u>	<u>DSM COST RECOVERY COMPONENT</u>	<u>TOTAL</u>
RATE TS					
RATE CGS - COMMERCIAL	\$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.8722	\$0.8800	0.1370	\$2.8892
OVER 100 MCF/MONTH		\$1.3722	\$0.8800	0.1370	\$2.3892
NOVEMBER THRU MARCH					
ALL MCF		\$1.8722	\$0.8800	0.1370	\$2.8892
RATE IGS - INDUSTRIAL	\$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.9022	\$0.8800	0.0000	\$2.7822
OVER 100 MCF/MONTH		\$1.4022	\$0.8800	0.0000	\$2.2822
NOVEMBER THRU MARCH					
ALL MCF		\$1.9022	\$0.8800	0.0000	\$2.7822
Rate AAGS	\$153.00	\$0.5252	\$0.8800	0.1370	\$1.5422

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

May 1, 2012 through July 31, 2012

Transportation Service:

Monthly Transportation Administrative Charge	\$230.00
Distribution Charge / Mcf Delivered	\$0.4300

Ancillary Services:

Daily Demand Charge	\$0.1722
Daily Storage Charge	<u>\$0.1833</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3555

Cash-Out Provision for Monthly Imbalances	Percentage to be Multiplied by Cash-Out Price *
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Cash-Out Provision for Monthly Imbalances:

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.
