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PUBLIC SERVICE
COMMISSION

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40601

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Manager - Rates
T 502-627-3324
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robert.conroy@eon-us.com

March 30, 2007

Re: Louisville Gas and Electric Company -
Gas Supply Clause Effective May 1, 2007

2007-00141

Dear Ms. O'Donnell:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and four copies of the Thirteenth Revision of Original Sheet No. 70 of LG&E Tariff PSC of Kentucky Gas No. 6 setting forth a Gas Supply Cost Component of 100.111 cents per 100 cubic feet applicable to all gas sold during the period of May 1, 2007 through July 31, 2007. 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, 2007 through July 31, 2007.

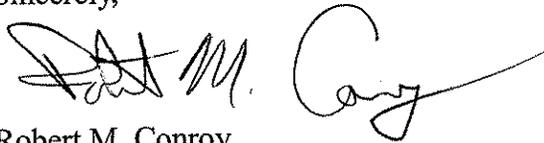
Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 of 6 and 6 of 6.

This filing represents expected gas costs for the three-month period May 1, 2007 through July 31, 2007. 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, 2007. These adjustment levels will remain in effect from May 1, 2007 through July 31, 2007.

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
March 30, 2007

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 written in a cursive style with a long horizontal stroke extending to the right.

Robert M. Conroy

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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

THE PETITION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR CONFIDENTIAL)
TREATMENT OF CERTAIN INFORMATION)
CONTAINED IN ITS QUARTERLY GAS)
SUPPLY CLAUSE FILING)

CASE NO. 2007-00141

**PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY
FOR CONFIDENTIAL TREATMENT OF CERTAIN INFORMATION
CONTAINED IN ITS QUARTERLY GAS SUPPLY CLAUSE FILING**

Louisville Gas and Electric Company ("LG&E"), pursuant to 807 KAR 5:001, Section 7, petitions the Commission to classify and protect as confidential certain information that is contained in its Quarterly Gas Supply Clause filing, as more fully described below:

1. LG&E is filing contemporaneously with this Petition, as required by its tariffs governing its Gas Supply Clause (Original Sheet Nos. 70.1 and 70.2 of LG&E Gas Tariff PSC of Ky. No. 6), a statement setting forth the summary of the total purchased gas costs for the period of November 2006 through January 2007 ("Summary"). Included in the Summary, which is included in the filing as two pages in Exhibit B-1, pages 5 and 6, is certain information the disclosure of which would damage LG&E's competitive position and business interests. As required by 807 KAR 5:001, Section 7(2)(b), LG&E is providing one copy of this Summary, under seal, with the material for which confidential treatment is requested highlighted, and ten copies of the Summary with the confidential material redacted.

2. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party.

3. The Summary contains sensitive commercial information, the disclosure of which would injure LG&E's ability to negotiate future gas supply contracts at advantageous prices and, thereby, minimize the price of natural gas to its customers, and would unfairly advantage LG&E's competitors for both gas supplies and retail gas load. Any impairment of its ability to obtain the most advantageous price possible from natural gas producers and marketers will necessarily erode LG&E's competitive position vis-a-vis other energy suppliers that compete in LG&E's service territory, as well as other LDCs with whom LG&E competes for new and relocating industrial customers. This sensitive information identifies LG&E's natural gas suppliers for the period set forth and links those providers with specific gas volumes delivered and the costs thereof. Redacting the suppliers' names from the Summary will prevent other parties from piecing together the sensitive information which LG&E seeks to protect from disclosure. LG&E, therefore, proposes that the identity of each supplier be kept confidential.

Disclosure of the suppliers' identities will damage LG&E's competitive position and business interest in two ways. First, it will allow LG&E's competitors to know the unit price and overall cost of the gas LG&E is purchasing from each supplier. This information is valuable to LG&E's competitors because it can alert them to the identity of LG&E's low cost suppliers, and if those supply agreements are more favorable than theirs, they can attempt to outbid LG&E for those suppliers. This would raise prices to LG&E which would hurt its competitive position and harm its ratepayers. Second, it will provide competitors of LG&E's suppliers with information which will enable future gas bidding to be manipulated to the competitors'

advantage and to the detriment of LG&E and its customers. Instead of giving its best price in a bid, a gas supply competitor with knowledge of the recent pricing practices of LG&E's other suppliers could adjust its bid so that it just beats other bidders' prices or other terms. As a result, LG&E and its customers will pay a higher price for gas than they would have otherwise.

4. LG&E has filed identical requests with the Commission with regard to the same information contained in prior quarterly Gas Supply Clause filings, which the Commission has granted.

5. The information in the Summary for which LG&E is seeking confidential treatment is not known outside of LG&E and the relevant suppliers, and it is not disseminated within LG&E except to those employees with a legitimate business need to know and act upon the information.

6. The public interest will be served by granting this Petition in that competition among LG&E's prospective gas suppliers will be fostered, and the cost of gas to LG&E's customers will thereby be minimized. In addition, the public interest will be served by fostering full and fair competition between LG&E and other energy service providers within LG&E's gas service territory.

WHEREFORE, Louisville Gas and Electric Company respectfully requests that the Commission classify and protect as confidential the identity of the gas suppliers listed in the statement that sets forth the summary of the total purchased gas costs for the period of November 2006 through January 2007 and that is included in the three month filing made concurrently herewith pursuant to LG&E's Gas Supply Clause.

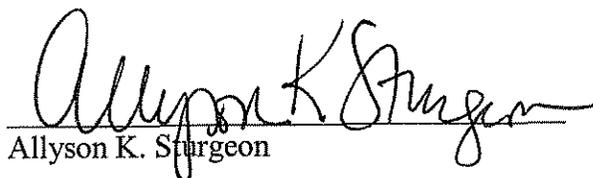
Respectfully submitted,



Allyson K. Sturgeon
Corporate Attorney
E.ON U.S. Services, Inc.
220 West Main Street
P. O. Box 32010
Louisville, Kentucky 40232
(502) 627-2088
Counsel for Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

This is to certify that a true copy of the foregoing instrument was shipped via United Parcel Service on the 30th day of March, 2007, to the Office of the Attorney General, Office for Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601-8204.



Allyson K. Sturgeon

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2006 THROUGH JANUARY 2007

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY
COMMODITY AND VOLUMETRIC CHARGES:

	NOVEMBER 2006		DECEMBER 2006		JANUARY 2007	
	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
NATURAL GAS SUPPLIERS:		\$		\$		\$
1 . O	461,725	\$3,225,799.25	408,015	396,131	0	0
2 . P	0	\$0.00	0	0	28,452	27,623
3 . Q	341,424	\$2,375,975.00	208,648	202,571	0	0
4 . R	0	\$0.00	204,000	199,058	790,500	767,476
5 . S	101,500	\$722,405.25	159,500	154,854	255,817	248,366
6 . T	0	\$0.00	0	0	0	0
7 . U	0	\$0.00	14,226	13,812	0	0
	904,649	\$6,324,179.50	994,389	965,426	1,074,769	1,043,465
NATURAL GAS TRANSPORTERS:		\$		\$		\$
1 . TENNESSEE GAS PIPELINE COMPANY	(927)	\$15,831.36	(467)	(82)	(152)	443
2 . ADJUSTMENTS	0	(\$915.89)	0	0	0	0
3 . ADJUSTMENTS	0	\$0.00	0	0	0	0
4 . REVENUE CREDIT	0	(\$3,611.09)	0	0	0	0
TOTAL	904,322	\$11,304.38	993,922	965,344	1,074,617	1,043,908
TOTAL COMMODITY AND VOLUMETRIC CHARGES		\$6,335,483.88		\$6,817,349.46		\$6,019,624.63
DEMAND AND FIXED CHARGES:		\$		\$		\$
1 . TENNESSEE GAS PIPELINE COMPANY		\$329,664.00		\$329,664.00		\$329,664.00
2 . TRANSPORTATION BY OTHERS		\$0.00		\$0.00		\$0.00
3 . SUPPLY RESERVATION CHARGES		\$688,462.35		\$720,008.92		\$741,405.30
4 . CAPACITY RELEASE CREDITS		\$0.00		\$0.00		\$0.00
TOTAL DEMAND AND FIXED CHARGES		\$1,018,126.35		\$1,049,672.92		\$1,071,069.30
TOTAL PURCHASED GAS COSTS -- TENNESSEE GAS PIPELINE COMPANY		\$7,353,610.23		\$7,881,026.12		\$7,090,693.93
OTHER PURCHASES		\$		\$		\$
1 . PURCHASED FOR ELECTRIC DEPARTMENT	6,000	\$47,400.00	0	0	0	0
V	0	\$0.00	0	(9)	0	0
ADJUSTMENTS	6,000	\$47,400.00	0	(9)	0	0
2 . CASH-OUT OF CUSTOMER OVER-DELIVERIES	24,344	\$168,137.92	0	42,745	0	14,747
TOTAL	30,173	\$215,537.92	0	42,736	0	14,747
TOTAL PURCHASED GAS COSTS -- ALL PIPELINES	3,076,885	\$26,357,346.97	2,994,741	2,895,879	3,305,423	3,231,228
TOTAL PURCHASED GAS COSTS -- ALL PIPELINES		\$27,955,507.06		\$27,955,507.06		\$23,700,174.63

Louisville Gas and Electric Company

Thirteenth Revision of Original Sheet No. 70
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE	GSC
Gas Supply Clause	
APPLICABLE TO	
All gas sold.	
GAS SUPPLY COST COMPONENT (GSCC)	
Gas Supply Cost	97.761 ¢
Gas Cost Actual Adjustment (GCAA)	(4.975)
Gas Cost Balance Adjustment (GCBA)	10.765
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:	
Refund Factor Effective August 1, 2006	(0.050)
Performance-Based Rate Recovery Component (PBRRC)	<u>1.610</u>
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	100.111 ¢

Date of Issue: March 30, 2007
Canceling Twelfth Revision of
Original Sheet No. 70
Issued December 28, 2006

Issued By

Date Effective: May 1, 2007

John R. McCall, Executive Vice President,
General Counsel, and Corporate Secretary
Louisville, Kentucky

Issued By Authority of an Order of the KPSC in Case No. 2007-00XXX dated _____

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LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2007-00XXX · 2007-00141

For the Period

May 1, 2007 through July 31, 2007

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After May 1, 2007

2007-00XXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	26,913,027
Total Expected Customer Deliveries: May 1, 2007 through July 31, 2007	Mcf	2,901,342
Gas Supply Cost Per Mcf	\$/Mcf	9.2761
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	92.761

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

Description	Unit	Amount
Current Quarter Actual Adjustment Eff. May 1, 2007 (Case No. 2006-00431)	¢/Ccf	1.199
Previous Quarter Actual Adjustment Eff. February 1, 2007 (Case No. 2006-00335)	¢/Ccf	(0.927)
2nd Previous Qrt. Actual Adjustment Eff. November 1, 2006 (Case No. 2006-00138)	¢/Ccf	(0.029)
3rd Previous Qrt. Actual Adjustment Eff. August 1, 2006 (Case No. 2006-00005)	¢/Ccf	(5.218)
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(4.975)

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

Description	Unit	Amount
Balance Adjustment Amount	\$	(3,123,326)
Total Expected Customer Deliveries: May 1, 2007 through July 31, 2007	Mcf	2,901,342
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	1.0765
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	10.765

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Refund Factor Effective: February 1, 2007	¢/Ccf	(0.050)
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	(0.050)

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

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	1.610
Total of PBRRC Factors Per 100 Cubic Feet	¢/Ccf	1.610

Gas Supply Cost Component (GSCC) Effective May 1, 2007 through July 31, 2007

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	92.761
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(4.975)
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	10.765
Refund Factors (RF)	¢/Ccf	(0.050)
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	1.610
Total Gas Supply Cost Component (GSCC)	¢/Ccf	100.111

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From May 1, 2007 through July 31, 2007

<u>MMBtu</u>	Total			
	May	June	July	May 07 thru Jul 07
1. Expected Gas Supply Transported Under Texas' No-Notice Service	1,686,818	1,014,329	1,764,979	4,466,126
2. Expected Gas Supply Transported Under Texas' Rate FT	680,000	840,000	868,000	2,388,000
3. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	0	1,200,000	1,240,000	2,440,000
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	0	0	341,000	341,000
5. Total MMBtu Purchased	2,366,818	3,054,329	4,213,979	9,635,126
6. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	0
7. Less: Injections into Texas Gas' NNS Storage Service	1,121,084	701,610	237,770	2,060,464
8. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	1,245,734	2,352,719	3,976,209	7,574,662
<u>Mcf</u>				
9. Total Purchases in Mcf	2,309,091	2,979,833	4,111,199	
10. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	
11. Less: Injections Texas Gas' NNS Storage Service	1,093,740	684,498	231,971	
12. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	1,215,351	2,295,335	3,879,228	
13. Plus: Customer Transportation Volumes under Rate TS	5,264	4,424	3,496	
14. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 12 + Line 13)	1,220,615	2,299,759	3,882,724	
15. Less: Purchases for Depts. Other Than Gas Dept.	130,820	68,857	65,193	
16. Less: Purchases Injected into LG&E's Underground Storage	0	1,320,178	2,999,785	
17. Mcf Purchases Expensed during Month (Line 12 - Line 15 - Line 16)	1,084,531	906,300	814,250	2,805,081
18. LG&E's Storage Inventory - Beginning of Month	2,280,001	2,080,001	3,378,001	
19. Plus: Storage Injections into LG&E's Underground Storage (Line 16)	0	1,320,178	2,999,785	
20. LG&E's Storage Inventory - Including Injections	2,280,001	3,400,179	6,377,786	
21. Less: Storage Withdrawals from LG&E's Underground Storage	178,420	0	0	178,420
22. Less: Storage Losses	21,580	22,178	26,785	70,543
23. LG&E's Storage Inventory - End of Month	2,080,001	3,378,001	6,351,001	
24. Mcf of Gas Supply Expensed during Month (Line 17 + Line 21 + Line 22)	1,284,531	928,478	841,035	3,054,044
<u>Cost</u>				
25. Total Demand Cost - Including Transportation (Line 14 x Line 46)	\$1,153,603	\$2,173,502	\$3,669,562	
26. Less: Demand Cost Recovered thru Rate TS (Line 13 x Line 46)	4,975	4,181	3,304	
27. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$1,148,628	\$2,169,321	\$3,666,258	
28. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 47)	13,208,966	8,090,288	14,339,572	
29. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 48)	5,267,348	6,627,852	6,976,637	
30. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 3 x Line 49)	0	8,952,240	9,437,516	
31. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 4 x Line 50)	0	0	2,805,543	
32. Total Purchased Gas Cost	\$19,624,942	\$25,839,701	\$37,225,526	\$82,690,169
33. Plus: Withdrawals from NNS Storage (Line 6 x Line 47)	0	0	0	0
34. Less: Purchases Injected into NNS Storage (Line 7 x Line 47)	8,778,872	5,596,041	1,931,762	16,306,675
35. Total Cost of Gas Delivered to LG&E	\$10,846,070	\$20,243,660	\$35,293,764	\$66,383,494
36. Less: Purchases for Depts. Other Than Gas Dept. (Line 15 x Line 51)	1,167,464	607,284	593,132	2,367,880
37. Less: Purchases Injected into LG&E's Storage (Line 16 x Line 51)	0	11,643,310	27,292,344	38,935,654
38. Pipeline Deliveries Expensed During Month	\$9,678,606	\$7,993,066	\$7,408,288	\$25,079,960
39. LG&E's Storage Inventory - Beginning of Month	\$16,351,939	\$14,917,559	\$26,387,623	
40. Plus: LG&E Storage Injections (Line 37 above)	0	11,643,310	27,292,344	
41. LG&E's Storage Inventory - Including Injections	\$16,351,939	\$26,560,869	\$53,679,967	
42. Less: LG&E Storage Withdrawals (Line 21 x Line 52)	1,279,610	0	0	\$1,279,610
43. Less: LG&E Storage Losses (Line 22 x Line 52)	154,770	173,246	225,441	553,457
44. LG&E's Storage Inventory - End of Month	\$14,917,559	\$26,387,623	\$53,454,526	
45. Gas Supply Expenses (Line 38 + Line 42 + Line 43)	\$11,112,986	\$8,166,312	\$7,633,729	\$26,913,027
<u>Unit Cost</u>				
46. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.9451	\$0.9451	\$0.9451	
47. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$7.8307	\$7.9760	\$8.1245	
48. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$7.7461	\$7.8903	\$8.0376	
49. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$7.3127	\$7.4602	\$7.6109	
50. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$7.9315	\$8.0779	\$8.2274	
51. Average Cost of Deliveries (Line 35 / Line 12)	\$8.9242	\$8.8195	\$9.0981	
52. Average Cost of Inventory - Including Injections (Line 41 / Line 20)	\$7.1719	\$7.8116	\$8.4167	
<u>Gas Supply Cost</u>				
53. Total Expected Mcf Deliveries (Sales) to Customers (May 1, 2007 through July 31, 2007)				2,901,342 Mcf
54. Current Gas Supply Cost (Line 45 / Line 53)				\$9.2761 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From May 1, 2007 through July 31, 2007

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$12.7446	x	119,913	MMBtu)	x	12	\$18,338,919
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$6.6332	x	28,000	MMBtu)	x	12	2,228,755
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)								10,589,947

ANNUAL DEMAND COSTS

\$35,113,589

Expected Annual Deliveries from Pipeline Transporters	38,083,079
(Including Transportation Under Rate TS) - MMBtu	

Expected Annual Deliveries from Pipeline Transporters	37,154,223
(Including Transportation Under Rate TS) - Mcf	

AVERAGE DEMAND COST PER MCF

0.9451

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
For The Three-Month Period From May 1, 2007 through July 31, 2007

Pipeline Supplier's Demand Component per Mcf	\$0.9451
Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	(0.0050)
Performance Based Rate Recovery Component (see Exhibit E)	<u>0.0259</u>
Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation	<u><u>0.9660</u></u>

Demand-Related Supply Costs Applicable to Daily Utilization Charge under
Rates FT and PS and for Reserved Balancing Service Under Rider RBS

Design Day Requirements (in Mcf)	442,031
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Reserved Balancing Service Charge (per Mcf Reserved):

Annual Charge -> (Annual Demand Costs / Design Day Requirements)	\$79.44
Monthly Charge -> (Annual Charge / 12 Months)	<u><u>\$6.62</u></u>

Daily Utilization Charge (per Mcf of Non-Reserved Balancing):

(Annual Reserved Balancing Charge / 365 Days) - 100% Load Factor Rate	<u><u>\$0.2176</u></u>
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LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2007-00XXX

Gas Supply Cost Effective May 1, 2007

LG&E is served by Texas Gas Transmission LLC ("TGT") pursuant to the terms of transportation agreements under Rates NNS-4 and FT-4, and by Tennessee Gas Pipeline Company ("TGPL") pursuant to the terms of a transportation agreement under Rate FT-A-2.

Texas Gas Transmission LLC

On January 29, 2007, Texas Gas submitted tariff sheets to the Federal Energy Regulatory Commission ("FERC") in Docket No. RP07-153 to reflect the establishment of a new volumetric surcharge as related to a cash-out adjustment designed to refund an over-collection of cash-out revenues in excess of costs. This Cash-Out Adjustment is a credit of \$0.0001/MMBtu. The other charges remain unaltered from either the rates approved by FERC in Docket No. RP05-317, or the ACA Unit Charge established effective October 1, 2006, Docket No. RP06-516.

Texas Gas's No-Notice Service (NNS-4)

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 applicable during the period of May 1, 2007 through July 31, 2007 which became effective March 1, 2007. The rates absent the discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.4190/MMBtu (or an equivalent monthly demand charge of \$12.7446/MMBtu) and (b) a commodity charge of \$0.0629/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$12.7446/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0554/MMBtu.

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

Attached hereto as Exhibit A-1 (a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 applicable during the period of May 1, 2007 through July 31, 2007. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges which became effective February 1, 2006. Page 3 contains the tariff sheet which sets forth the commodity charges effective March 1, 2007. The rates absent the discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.3142/MMBtu (or an equivalent monthly demand charge of \$9.5569/MMBtu) and (b) a commodity charge of \$0.0543/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$6.6332/MMBtu and a volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0302/MMBtu during the Winter Season and \$0.0329/MMBtu during the Summer Season.

Tennessee Gas Pipeline Company

On August 31, 2006, TGP filed tariff sheets at the FERC in Docket No. RP06-541 to reflect a new ACA Unit Charge as determined by FERC and recoverable by TGPL pursuant to the General Terms and Conditions of its FERC Gas Tariff. TGPL placed into effect on October 1, 2006, the new tariff sheet showing the new ACA funding unit of \$0.0016/MMBtu.

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

Attached hereto as Exhibit A-1 (a), Pages 4 and 5, are the tariff sheets for transportation service under Rate FT-4 applicable during the period of May 1, 2007 through July 31, 2007. Page 4 contains the tariff sheet which sets forth the monthly demand charges effective July 1, 2006. Page 5 contains the tariff sheet which sets forth the commodity charges effective October 1, 2006. The rates absent the discounts negotiated by LG&E would be as follows for deliveries from Zone 0 to Zone 2: (a) a daily demand charge of \$0.2979/MMBtu (or an equivalent monthly demand charge of \$9.06/MMBtu) and (b) a commodity charge of \$0.0896/MMBtu. The rates absent the discounts negotiated by LG&E would be as follows for deliveries from Zone 1 to Zone 2: (a) a daily demand charge of \$0.2505/MMBtu (or an equivalent monthly demand charge of \$7.62/MMBtu) and (b) a commodity charge of \$0.0792/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$6.4640/MMBtu and a volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0175/MMBtu, irrespective of the zone of receipt.

Gas Supply Costs

The New York Mercantile Exchange (“NYMEX”) natural gas futures prices as of March 28, 2007, are \$7.672/MMBtu for May, \$7.813/MMBtu for June, and \$7.957/MMBtu for July. The NYMEX price has been used as a general price indicator.

Currently, the market for natural gas is being influenced by a number of factors. The 2006/2007 winter was warmer-than-normal, which reduced the demand for natural gas. Although lower demand caused national gas supply inventories to be higher than the historic five-year average, national inventories are lower when comparing this year to last year. The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending March 23, 2007, indicated that storage inventory levels were lower than last year’s levels. Storage

inventories across the nation are 209 Bcf (1,511 Bcf – 1,720 Bcf), or 12%, lower this year than the same period one year ago. Last year at this time, 1,720 Bcf was held in storage, while this year 1,511 Bcf is held in storage. By comparison, storage inventories across the nation are 267 Bcf (1,511 Bcf – 1,244 Bcf), or 21%, higher this year than the five-year average. On average for the last five years at this time, 1,244 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. Of course, weather (including hurricane activity) will remain a key driver in establishing the balance of gas supply and demand during the course of the remainder of 2007 season.

During the three-month period under review, May 1, 2007 through July 31, 2007, LG&E estimates that its total purchases will be 7,574,662 MMBtu. LG&E expects that 2,405,662 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (4,466,126 MMBtu in pipeline deliveries, less 2,060,464 MMBtu in storage injections; 2,388,000 MMBtu will be met from deliveries under TGT's pipeline service under Rate FT; 2,440,000 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0; and 341,000 MMBtu will be met with deliveries from 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 \$7.5420 per MMBtu in May 2007, \$7.6830 in June 2007, and \$7.8270 in July 2007. 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 \$7.5420 per MMBtu in May 2007, \$7.6830 in June 2007, and \$7.8270 in July 2007. 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 \$6.9720 per MMBtu in May 2007, \$7.1130 in June 2007, and \$7.2570 in July 2007, 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 \$7.6220 per MMBtu in May 2007, \$7.7630 in June 2007, and \$7.9070 in July 2007.

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 Rate NNS and Rate FT, applicable retention percentages, and the applicable surcharges approved by the FERC:

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 2007	\$7.5420	3.00%	\$0.0554	\$7.8307
June	\$7.6830	3.00%	\$0.0554	\$7.9760
July	\$7.8270	3.00%	\$0.0554	\$8.1245

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 SL TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2007	\$7.5420	2.22%	\$0.0329	\$7.7461
June	\$7.6830	2.22%	\$0.0329	\$7.8903
July	\$7.8270	2.22%	\$0.0329	\$8.0376

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENN. 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 2007	\$6.9720	4.43%	\$0.0175	\$7.3127
June	\$7.1130	4.43%	\$0.0175	\$7.4602
July	\$7.2570	4.43%	\$0.0175	\$7.6109

Zone 1

May 2007	\$7.6220	3.69%	\$0.0175	\$7.9315
June	\$7.7630	3.69%	\$0.0175	\$8.0779
July	\$7.9070	3.69%	\$0.0175	\$8.2274

The annual demand billings covering the 12 months from May 1, 2007 through July 31, 2007, 2008 for the long-term firm contracts with suppliers are currently expected to be \$10,589,947.

Rate FT, Rider RBS, and Rate PS

The demand-related supply costs applicable to the Daily Utilization Charge under Rate FT, the Reserved Balancing Service under Rider RBS, and any daily utilization charges under Rate PS applicable during the three-month period of May 1, 2007 through July 31, 2007 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 Gas Tariff
Second Revised Volume No. 1

Substitute Fifth Revised Sheet No. 24
Superseding
Second Sub Fourth Rev Sheet No. 24

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 fronthaul rates to zone of delivery.

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

Note: 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 25 of the General Terms and Conditions.

For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, the above rates shall be increased to include an incremental Daily Demand charge of \$0.0621. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC Gas Tariff
Second Revised Volume No. 1

Eighth Revised Sheet No. 25
Superseding
Seventh Revised Sheet No. 25

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

	Base Tariff Rates (1)	FERC ACA (2)	Cash Out Adjustment (3)	Currently Effective Rates (4)
SL-SL	0.0104	0.0016	(0.0001)	0.0119
SL-1	0.0355	0.0016	(0.0001)	0.0370
SL-2	0.0399	0.0016	(0.0001)	0.0414
SL-3	0.0445	0.0016	(0.0001)	0.0460
SL-4	0.0528	0.0016	(0.0001)	0.0543
1-1	0.0337	0.0016	(0.0001)	0.0352
1-2	0.0385	0.0016	(0.0001)	0.0400
1-3	0.0422	0.0016	(0.0001)	0.0437
1-4	0.0508	0.0016	(0.0001)	0.0523
2-2	0.0323	0.0016	(0.0001)	0.0338
2-3	0.0360	0.0016	(0.0001)	0.0375
2-4	0.0446	0.0016	(0.0001)	0.0461
3-3	0.0312	0.0016	(0.0001)	0.0327
3-4	0.0398	0.0016	(0.0001)	0.0413
4-4	0.0360	0.0016	(0.0001)	0.0375

Minimum Rates: Commodity minimum base rates are presented on Sheet 31.

Backhaul rates equal fronthaul rates to zone of delivery.

Note: For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, the above rates shall be increased to include an incremental Commodity charge of \$0.0155. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.

Issued by: James R. Hendrix, Vice President, Rates

Issued on: January 29, 2007

Effective on: March 1, 2007

TENNESSEE GAS PIPELINE COMPANY
FERC Gas Tariff
FIFTH REVISED VOLUME NO. 1

Twenty-Fifth Revised Sheet No. 23
Superseding
Twenty-Fourth Revised Sheet No. 23

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$3.10		\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
L		\$2.71						
1	\$6.66		\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06		\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53		\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53		\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09		\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59		\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Surcharges

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
PCB Adjustment: 1/ 0	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
L		\$0.00						
1	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Maximum Reservation Rates 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$3.10		\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
L		\$2.71						
1	\$6.66		\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06		\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53		\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53		\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09		\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59		\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Minimum Base Reservation Rates The minimum FT-A Reservation Rate is \$0.00 per Dth

Notes:

- 1/ PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000, was revised and the PCB Adjustment Period has been extended until June 30, 2008 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.
- 2/ Maximum rates are inclusive of base rates and above surcharges.

Issued by: Byron S. Wright, Vice President
Issued on: May 31, 2006

Effective on: July 1, 2006

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	\$0.0439		\$0.0669	\$0.0880	\$0.0978	\$0.1118	\$0.1231	\$0.1608	
L		\$0.0286							
1	\$0.0669		\$0.0572	\$0.0776	\$0.0874	\$0.1014	\$0.1126	\$0.1503	
2	\$0.0880		\$0.0776	\$0.0433	\$0.0530	\$0.0681	\$0.0783	\$0.1159	
3	\$0.0978		\$0.0874	\$0.0530	\$0.0366	\$0.0663	\$0.0765	\$0.1142	
4	\$0.1129		\$0.1025	\$0.0681	\$0.0663	\$0.0401	\$0.0459	\$0.0834	
5	\$0.1231		\$0.1126	\$0.0783	\$0.0765	\$0.0459	\$0.0427	\$0.0765	
6	\$0.1608		\$0.1503	\$0.1159	\$0.1142	\$0.0834	\$0.0765	\$0.0642	

Minimum
Commodity Rates 2/

RECEIPT ZONE	DELIVERY ZONE								
	0	L	1	2	3	4	5	6	
0	\$0.0026		\$0.0096	\$0.0161	\$0.0191	\$0.0233	\$0.0268	\$0.0326	
L		\$0.0034							
1	\$0.0096		\$0.0067	\$0.0129	\$0.0159	\$0.0202	\$0.0236	\$0.0294	
2	\$0.0161		\$0.0129	\$0.0024	\$0.0054	\$0.0100	\$0.0131	\$0.0189	
3	\$0.0191		\$0.0159	\$0.0054	\$0.0004	\$0.0095	\$0.0126	\$0.0184	
4	\$0.0237		\$0.0205	\$0.0100	\$0.0095	\$0.0015	\$0.0032	\$0.0090	
5	\$0.0268		\$0.0236	\$0.0131	\$0.0126	\$0.0032	\$0.0022	\$0.0069	
6	\$0.0326		\$0.0294	\$0.0189	\$0.0184	\$0.0090	\$0.0069	\$0.0031	

Maximum
Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE								
	0	L	1	2	3	4	5	6	
0	\$0.0455		\$0.0685	\$0.0896	\$0.0994	\$0.1134	\$0.1247	\$0.1624	
L		\$0.0302							
1	\$0.0685		\$0.0588	\$0.0792	\$0.0890	\$0.1030	\$0.1142	\$0.1519	
2	\$0.0896		\$0.0792	\$0.0449	\$0.0546	\$0.0697	\$0.0799	\$0.1175	
3	\$0.0994		\$0.0890	\$0.0546	\$0.0382	\$0.0679	\$0.0781	\$0.1158	
4	\$0.1145		\$0.1041	\$0.0697	\$0.0679	\$0.0417	\$0.0475	\$0.0850	
5	\$0.1247		\$0.1142	\$0.0799	\$0.0781	\$0.0475	\$0.0443	\$0.0781	
6	\$0.1624		\$0.1519	\$0.1175	\$0.1158	\$0.0850	\$0.0781	\$0.0658	

Notes:

1/ The above maximum rates include a per Dth charge for:
(ACA) Annual Charge Adjustment

\$0.0016

2/ The applicable fuel retention percentages are listed on Sheet No. 29, provided that for service rendered solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2007-00XXX****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 under-recovery from Case Number 2006-00431 during the three-month period of November 2006 through January 31, 2007 was \$4,050,171. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a charge of 1.199¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after May 1, 2007, 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 2006 through January 2007. [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 2005-00401, with service rendered through April 30, 2007, 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 August 2007.

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

Current Quarter Actual Adjustment:	
Effective May 1, 2007 from 2006-00431	1.199 cents/Ccf
Previous Quarter Actual Adjustment	
Effective February 1, 2007 from 2006-00335	(0.927) cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective November 1, 2006 from 2006-00138	(0.029) cents/Ccf
3rd Previous Quarter Actual Adjustment	
Effective August 1, 2006 from 2006-00005	(5.218) cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	(4.975) cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)				
							Cost Recovery Under GSC Compared to Actual Gas Supply Costs	Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries	Expected Mcf Sales for 12-Month Period From Date Implemented	GCAA Per 100 Cu. Ft.	GCAA Per Mcf	GCAA Per 100 Cu. Ft.	Implemented With Service Rendered On
Start Date	End Date	Case	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 100 Cu. Ft.	GCAA Per Mcf	GCAA Per 100 Cu. Ft.	Implemented With Service Rendered On
May-2002	Jul-2002	(Case No. 2002-00110)	13,438,971	15,122,528	(1,683,557)	36,753,737	\$0.0458	\$0.0458	\$0.00458	11/1/2002
Aug-2002	Oct-2002	(Case No. 2002-00261)	15,907,785	17,086,539	(1,178,754)	36,801,563	\$0.0320	\$0.0320	\$0.00320	2/1/2003
Nov-2002	Jan-2003	(Case No. 2002-00368)	97,958,248	107,648,978	(9,690,730)	36,918,853	\$0.2625	\$0.2625	\$0.02625	5/1/2003
Feb-2003	Apr-2003	(Case No. 2003-00004)	68,860,317	89,433,601	(20,573,284)	36,900,588	\$0.5575	\$0.5575	\$0.05575	8/1/2003
May-2003	Jul-2003	(Case No. 2003-00121)	18,971,902	18,559,852	412,050	36,348,575	(\$0.0113)	(\$0.0113)	(\$0.00113)	11/1/2003
Aug-2003	Oct-2003	(Case No. 2003-00260)	25,560,264	20,773,050	4,787,214	36,405,180	(\$0.1315)	(\$0.1315)	(\$0.01315)	2/1/2004
Nov-2003	Jan-2004	(Case No. 2003-00385)	110,568,160	117,066,050	(6,497,890)	36,398,609	\$0.1785	\$0.1785	\$0.01785	5/1/2004
Feb-2004	Apr-2004	(Case No. 2004-00506)	83,438,486	81,507,939	1,930,547	36,434,958	(\$0.0530)	(\$0.0530)	(\$0.00530)	8/1/2004
May-2004	Jul-2004	(Case No. 2004-00117)	19,042,943	21,865,358	(2,822,415)	36,321,555	\$0.0777	\$0.0777	\$0.00777	11/1/2004
Aug-2004	Oct-2004	(Case No. 2004-00271)	25,903,070	20,754,205	5,148,865	36,326,312	(\$0.1417)	(\$0.1417)	(\$0.01417)	2/1/2005
Nov-2004	Jan-2005	(Case No. 2004-00390)	121,366,510	128,832,748	(7,466,238)	36,421,319	\$0.2050	\$0.2050	\$0.02050	5/1/2005
Feb-2005	Apr-2005	(Case No. 2004-00526)	97,013,157	96,350,924	662,233	36,428,002	(\$0.0182)	(\$0.0182)	(\$0.00182)	8/1/2005
May-2005	Jul-2005	(Case No. 2005-00143)	31,352,437	29,163,240	2,189,197	35,923,358	(\$0.0609)	(\$0.0609)	(\$0.00609)	11/1/2005
Aug-2005	Oct-2005	(Case No. 2005-00274)	26,937,216	45,136,099	(18,198,883)	36,264,049	\$0.5018	\$0.5018	\$0.05018	2/1/2006
Nov-2005	Jan-2006	(Case No. 2005-00401)	195,225,843	176,113,181	19,112,662	36,235,391	(\$0.5275)	(\$0.5275)	(\$0.05275)	5/1/2006
Feb-2006	Apr-2006	(Case No. 2006-00005)	118,813,736	99,908,070	18,905,666	36,234,450	(\$0.5218)	(\$0.5218)	(\$0.05218)	8/1/2006
May-2006	Jul-2006	(Case No. 2006-00138)	25,653,769	25,555,064	98,705	33,519,195	(\$0.0029)	(\$0.0029)	(\$0.00029)	11/1/2006
Aug-2006	Oct-2006	(Case No. 2006-00335)	30,851,071	27,737,106	3,113,965	33,575,288	(\$0.0927)	(\$0.0927)	(\$0.00927)	2/1/2007
Nov-2006	Jan-2007	(Case No. 2006-00431)	117,566,789	121,616,960	(4,050,171)	33,784,429	\$0.1199	\$0.1199	\$0.01199	5/1/2007

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

Nov 1, 2006
through
Jan 31, 2007

Aug 1, 2005
Through
Oct 31, 2005

Nov 1, 2005
Through
Nov 30, 2005

Dec 1, 2005
Through
Jan 31, 2006

Feb 1, 2006
Through
Apr 30, 2006

May 1, 2006
through
July 31, 2006

Aug 1, 2006
through
Oct 31, 2006

Monthly Mcf Sales ¹	Aug 1, 2005 Through Oct 31, 2005	Nov 1, 2005 Through Nov 30, 2005	Dec 1, 2005 Through Jan 31, 2006	Feb 1, 2006 Through Apr 30, 2006	May 1, 2006 through July 31, 2006	Aug 1, 2006 through Oct 31, 2006	Nov 1, 2006 through Jan 31, 2007
1 AUG	751,741						
2 SEPT	753,898	351,272					
3 OCT	872,483	753,898					
4 NOV	1,942,084	872,219					
5 DEC	5,196,564	1,027,755	914,329				
6 2006 JAN	5,536,942	2,588,033	2,608,532				
7 FEB	4,705,344		5,536,942				
8 MAR	4,164,379		2,311,427				
9 APR	2,693,081			2,393,917			
10 MAY	1,335,505			4,164,379			
11 JUNE	923,191			2,693,081			
12 JULY	795,759			629,507	705,997		
13 AUG	719,392				923,191	391,767	
14 SEPT	782,784				795,759	782,784	
15 OCT	1,188,323				327,625	1,188,323	
16 NOV	2,830,660					1,404,555	1,426,105
17 DEC	4,212,884						4,212,884
18 2007 JAN	4,716,686						4,716,686
19 FEB	6,903,906						3,226,318

20	Applicable Mcf Sales During 3 Month Period	3,005,143	3,502,362	10,456,901	9,880,883	2,752,572	3,767,428	13,581,993
21	Gas Supply Clause Case No.	2005-00274	2005-00401	2005-00454	2006-00005	2006-00138	2006-00335	2006-00491
22	Gas Supply Cost Recovered Per Mcf Sold	\$8.8091	\$15.3793	\$13.1638	\$12.0028	\$9.2387	\$8.0336	\$8.1687
23	Dollars of Recovery Under GSC	\$26,472,608	\$53,863,871	\$137,652,555	\$118,598,260	\$25,485,235	\$30,266,013	\$110,947,227
24	Total Dollars Recovered During 3-Month Period		\$191,516,426					
25	Mcf of Customer-Owned Gas Transported Under Rate TS	10,547	5180	10,536	15,140	19,251	24,076	24,855
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period			15,716				
27	Pipeline Suppliers' Demand Component Per Mcf	0.8895	0.9006	0.9006	0.8923	0.8757	0.8761	0.9534
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)	\$9,382	\$14,154	\$14,154	\$13,509	\$16,858	\$21,093	\$23,697
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$455,227	\$610,916	\$610,916	\$201,966	\$151,676	\$563,965	\$431,024
30	Revenues from Off-system Sales	\$0	\$3,084,348	\$3,084,348	0	0	0	\$6,164,842
31	Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30)	\$26,937,216	\$195,225,843	\$118,813,736	\$25,653,769	\$30,851,071	\$117,566,789	

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) Billing Month	(2) Case Number	(3) UCDI Demand Chrg / Mcf	(4) Seasonal RBS Demand Chrg / Mcf	(5) RBS Demand Chrg / Mcf	(6) Cash-Out Sales (McF)	(7) Cash-Out Sales (\$)	(8) MMBTU Adjust. (Mcf)	(9) MMBTU Adjust. (\$)	(10) UCDI Mcf	(11) UCDI \$ [(3) x (10)]	(12) Seasonal RBS Mcf	(13) Seasonal RBS \$ [(4) x (12)]	(14) RBS Mcf	(15) RBS \$ [(5) x (14)]	(16) OFO \$	(17) Monthly \$'s Recovered [(7)+(9)+(11) + (13)+(15)+(16)]
2004 Nov	2004-00390	0.2189	0	\$6.66	12,362.5	\$98,486.35	1,638.0	\$12,600.72	62,890.3	\$13,766.69	0.0	\$0.00	0.00	\$0.00	\$0.00	\$124,853.76
2004 Dec	2004-00390	0.2189	0	\$6.66	14,489.3	\$116,723.10	4.0	\$24.98	187,758.7	\$41,100.38	0.0	\$0.00	0.00	\$0.00	\$0.00	\$24,811.74
2005 Jan	2004-00390	0.2189	0	\$6.66	4,204.9	\$30,950.65	3,700.0	\$21,530.78	145,686.1	\$31,890.69	0.0	\$0.00	0.00	\$0.00	\$0.00	\$84,372.12
Total FT Revenues																
2005 Feb	2004-00526	0.2189	0	\$6.66	2,666.0	\$18,528.80	2,151.0	\$13,664.58	80,478.0	\$17,616.63	0.0	\$0.00	0.00	\$0.00	\$0.00	\$49,810.01
2005 Mar	2004-00526	0.2189	0	\$6.66	19,117.3	\$162,238.89	1,286.0	\$ 9,399.46	85,737.1	\$18,767.85	0.0	\$0.00	0.00	\$0.00	\$0.00	\$190,426.20
2005 Apr	2004-00526	0.2189	0	\$6.66	18,983.3	\$173,823.38	1,705.0	\$13,023.74	85,471.1	\$18,709.62	0.0	\$0.00	0.00	\$0.00	\$0.00	\$205,256.74
Total FT Revenues																
2005 May	2005-00143	0.2189	0	\$6.66	14,123.5	\$115,673.41	0	\$ 0	65,820.6	\$14,408.13	0.0	\$0.00	0.00	\$0.00	\$0.00	\$130,081.54
2005 June	2005-00143	0.2189	0	\$6.66	7,718.4	\$76,654.30	1,173.0	\$ 8,092.57	37,465.9	\$8,201.29	0.0	\$0.00	0.00	\$0.00	\$0.00	\$92,948.16
2005 July	2005-00143	0.2189	0	\$6.66	1,352.6	\$11,633.92	2,837.0	\$19,476.57	50,242.7	\$10,998.13	0.0	\$0.00	0.00	\$0.00	\$135.41	\$42,244.03
Total FT Revenues																
2005 Aug	2005-00274	0.2189	0	\$6.66	8,138.4	\$104,501.98	5,152.0	\$ 59,431.63	35,000.1	\$7,661.52	0.0	\$0.00	0.00	\$0.00	\$0.00	\$192,501.86
2005 Sept	2005-00274	0.2189	0	\$6.66	3,360.0	\$360.00	4,601.0	\$ 51,600.23	100,918.2	\$22,090.89	0.0	\$0.00	0.00	\$0.00	\$0.00	\$116,599.05
2005 Oct	2005-00274	0.2189	0	\$6.66	3,275.4	\$59,648.92	5,229.0	\$ 70,272.99	74,024.1	\$16,203.88	0.0	\$0.00	0.00	\$0.00	\$0.00	\$146,125.79
Total FT Revenues																
2005 Nov	2005-00401	0.2172	0	\$6.61	9,294.4	\$123,458.59	6,392.0	\$ 71,717.32	89,887.7	\$19,523.61	0.0	\$0.00	0.00	\$0.00	\$0.00	\$244,154.62
2005 Dec	2005-00454	0.2172	0	\$6.61	9,354.0	\$151,830.72	6,808.0	\$ 87,340.64	102,026.5	\$22,160.16	0.0	\$0.00	0.00	\$0.00	\$0.00	\$261,331.52
2006 Jan	2005-00454	0.2172	0	\$6.61	-	\$360.00	10,429.0	\$ 84,683.48	93,858.4	\$20,386.04	0.0	\$0.00	0.00	\$0.00	\$0.00	\$105,429.52
Total FT Revenues																
2006 Feb	2006-00005	0.2172	0	\$6.61	438.9	\$4,340.82	3,819.0	\$ 28,454.32	70,958.4	\$15,412.16	0.0	\$0.00	0.00	\$0.00	\$0.00	\$48,207.30
2006 Mar	2006-00005	0.2172	0	\$6.61	6,397.4	\$50,368.91	3,935.0	\$ 28,553.86	61,532.2	\$13,364.79	0.0	\$0.00	0.00	\$0.00	\$(2,921.00)*	\$89,366.56
2006 Apr	2006-00005	0.2172	0	\$6.61	2,818.6	\$23,627.54	3,042.0	\$ 23,106.61	81,299.7	\$17,658.29	0.0	\$0.00	0.00	\$0.00	\$0.00	\$64,392.44
Total FT Revenues																
2006 May	2006-00138	0.2131	0	\$6.48	3,991.8	\$30,063.01	20.0	\$ 131.94	69,915.2	\$14,898.93	0.0	\$0.00	0.00	\$0.00	\$0.00	\$201,966.31
2006 June	2006-00138	0.2131	0	\$6.48	6,964.9	\$52,743.60	-	\$ 0	45,127.0	\$9,616.56	0.0	\$0.00	0.00	\$0.00	\$0.00	\$45,093.88
2006 July	2006-00138	0.2131	0	\$6.48	3,961.3	\$30,663.94	22.0	\$ 117.92	63,068.9	\$13,489.98	0.0	\$0.00	0.00	\$0.00	\$0.00	\$62,360.16
Total FT Revenues																
2006 Aug	2006-00335	0.2131	0	\$6.48	8,527.8	\$85,962.12	639.0	\$ 5,598.72	83,837.9	\$17,865.86	0.0	\$0.00	0.00	\$0.00	\$0.00	\$151,675.89
2006 Sept	2006-00335	0.2131	0	\$6.48	12,487.2	\$76,440.14	1,423.0	\$ 7,930.73	69,549.7	\$14,821.04	0.0	\$0.00	0.00	\$0.00	\$0.00	\$107,426.70
2006 Oct	2006-00335	0.2131	0	\$6.48	37,260.9	\$330,424.25	203.0	\$ 1,472.93	119,422.2	\$25,448.87	0.0	\$0.00	0.00	\$0.00	\$0.00	\$357,346.05
Total FT Revenues																
2006 Nov	2006-00431	0.2176	0	\$6.62	1,701.4	\$14,882.56	1,373.0	\$ 9,722.79	119,184.2	\$25,934.48	0.0	\$0.00	0.00	\$0.00	\$0.00	\$91,907.01
2006 Dec	2006-00431	0.2176	0	\$6.62	4,772.4	\$41,068.57	2,411.0	\$15,605.21	135,286.2	\$29,438.28	0.0	\$0.00	0.00	\$0.00	\$0.00	\$136,775.48
2007 Jan	2006-00431	0.2176	0	\$6.62	7,101.8	\$56,638.73	2,067.0	\$15,165.86	156,314.4	\$34,014.01	0.0	\$0.00	0.00	\$0.00	\$0.00	\$202,341.22
Total FT Revenues																
Total FT Revenues																

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.

* OFO Charge from September 2005 Credited to customer's account in March 2006 after meter reading error discovered.

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2006 THROUGH JANUARY 2007

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY

COMMODITY AND VOLUMETRIC CHARGES:	NOVEMBER 2006		DECEMBER 2006		JANUARY 2007	
	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
NATURAL GAS SUPPLIERS:						
1 . O	461,725	448,277	408,015	396,131	0	0
2 . P	0	0	0	0	28,452	27,623
3 . Q	341,424	331,480	208,648	202,571	0	0
4 . R	0	0	204,000	198,058	790,500	767,476
5 . S	101,500	98,544	159,500	154,854	255,817	248,366
6 . T	0	0	0	0	0	0
7 . U	0	0	14,226	13,812	0	0
	904,649	878,301	994,389	965,426	1,074,769	1,043,465
	\$6,324,179.50		\$6,817,349.46		\$6,001,925.52	

NATURAL GAS TRANSPORTERS:

1 . TENNESSEE GAS PIPELINE COMPANY	\$15,831.36	\$17,401.81				
2 . ADJUSTMENTS	(\$915.89)	(82)	(467)	(82)	(152)	443
3 . ADJUSTMENTS	\$0.00	0	0	0	0	0
4 . REVENUE CREDIT	(\$3,611.09)	0	0	0	0	0
TOTAL	\$11,304.38	878,557	993,922	965,344	1,074,617	1,043,908
TOTAL COMMODITY AND VOLUMETRIC CHARGES	\$6,335,483.88		\$6,831,353.20		\$6,019,624.63	

DEMAND AND FIXED CHARGES:

1 . TENNESSEE GAS PIPELINE COMPANY	\$329,664.00	\$329,664.00				
2 . TRANSPORTATION BY OTHERS	\$0.00	\$0.00				
3 . SUPPLY RESERVATION CHARGES	\$688,462.35	\$720,008.92				
4 . CAPACITY RELEASE CREDITS	\$0.00	\$0.00				
TOTAL DEMAND AND FIXED CHARGES	\$1,018,126.35	\$1,049,672.92				
TOTAL PURCHASED GAS COSTS - TENNESSEE GAS PIPELINE COMPANY	\$7,353,610.23	\$7,881,026.12				

OTHER PURCHASES

1 . PURCHASED FOR ELECTRIC DEPARTMENT	6,000	5,853	0	0	0	0
V	0	(24)	0	(9)	0	0
ADJUSTMENTS	6,000	5,829	0	(9)	0	0
2 . CASH-OUT OF CUSTOMER OVER-DELIVERIES	6,000	24,344	0	42,745	0	14,747
TOTAL	3,076,886	3,016,556	2,934,741	2,895,879	3,305,423	3,231,228
TOTAL PURCHASED GAS COSTS - ALL PIPELINES	\$26,357,346.97	\$27,955,507.06				

TOTAL PURCHASED GAS COSTS - ALL PIPELINES

TOTAL PURCHASED GAS COSTS - ALL PIPELINES	\$329,664.00	\$329,664.00				
	\$0.00	\$0.00				
	\$741,405.30	\$741,405.30				
	\$0.00	\$0.00				
	\$1,071,069.30	\$1,071,069.30				
	\$7,090,693.93	\$7,090,693.93				

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2007-00XXX

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 under-recovery that must be collected under the Gas Cost Balance Adjustment (GCBA) during the period of May 1, 2007 through July 31, 2007, set forth on Page 1 of Exhibit C-1 is \$3,123,326. The GCBA factor required to collect this under-recovery is a charge of 10.765¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after May 1, 2007 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2007-00001, which, with service rendered through April 30, 2007, 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 August 1, 2007.

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 & PBRC	GCBA From Second Preceding 3 Mo. Period	Applicable Sales During 3 Mo. Period ²	GCBA Factor From Second Preceding 3 Mo. Period	Recovery Under GCBA	Remaining Over (Under) Recovery	Deferred Amounts	Total Remaining Over (Under) Recovery	Expected Sales For 3 Mo. Period	GCBA (cents/mcf)	GCBA (cents/ccf)
	(\$)	(\$)	(\$)	(mcf)	(cents/mcf)	(\$)	(\$)	(\$)	(\$)	(mcf)	GCBA (cents/mcf)	GCBA (cents/ccf)
November 1, 2002	2,636,575		(74,107)	3,095,321	2.26	69,954	(4,153)		2,632,422	17,781,076	(14.80)	(1.480)
February 1, 2003	398,606		(28,264)	3,668,145	0.71	26,044	(2,220)		396,386	13,009,658	(3.05)	(0.305)
May 1, 2003	97,787		2,632,422	18,255,311	(14.80)	(2,702,631)	(70,209)		27,578	3,519,058	(0.78)	(0.078)
August 1, 2003	19,949		396,386	12,976,494	(3.05)	(395,783)	603		20,552	3,691,785	(0.56)	(0.056)
November 1, 2003	35,085		27,578	2,961,852	(0.78)	(23,102)	4,476		39,561	17,166,186	(0.23)	(0.023)
February 1, 2004	40,066	(970) ⁴	20,552	3,440,040	(0.56)	(19,608)	944		40,040	12,672,184	(0.32)	(0.032)
May 1, 2004	(46,186)		39,561	16,014,377	(0.23)	(36,833)	2,728		(43,458)	2,869,986	1.51	0.151
August 1, 2004	(648,088)	(886,031) ⁵	40,481	12,039,509	(0.32)	(38,526)	1,955		(1,532,184)	3,663,708	41.82	4.182
November 1, 2004	(1,472,569)		(43,456)	2,767,447	1.51	41,788	(1,668)		(1,474,237)	16,297,803	9.05	0.905
February 1, 2005	28,123		(1,532,184)	3,154,503	41.82	1,319,213	(212,971)		(1,474,237)	12,678,174	1.46	0.146
May 1, 2005	510,998	(969,696) ⁶	(1,474,237)	14,564,142	9.05	1,318,055	(156,182)		(184,848)	3,087,349	0.51	0.051
August 1, 2005	(708,364)	(432,909) ⁷	(184,848)	11,948,228	1.46	174,444	(10,404)		(1,151,677)	3,672,564	31.36	3.136
November 1, 2005	197,051		(15,780)	3,040,598	0.51	15,507	(273)		196,778	17,202,685	(1.14)	(0.114)
February 1, 2006	(292,650)		(1,151,677)	3,005,143	31.36	942,413	(209,264)		(501,914)	12,384,154	4.05	0.405
May 1, 2006	621,092		196,778	13,959,263	(1.14)	(159,677)	37,101		658,193	3,143,460	(20.94)	(2.094)
August 1, 2006	(1,339,631)	(270,087) ⁸	(501,914)	7,486,966	4.05	303,222	(198,692)		(1,808,410)	3,756,552	48.14	4.814
November 1, 2006	123,552		658,193	2,752,572	(20.94)	(576,389)	81,804		205,356	15,898,032	(1.29)	(0.129)
February 1, 2007	340,264		(1,711,456) ⁹	3,767,428	48.14	1,813,640	102,184		442,448	11,775,388 ³	(3.76)	(0.376)
May 1, 2007	(3,153,475)		205,356	13,581,993	(1.29)	(175,208)	30,149		(3,123,326)	2,901,342	107.65	10.765

(2 + 3 + 8 + 9)

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, 2007 through July 31, 2007.
4 This amount represents an over-refund by LG&E from Case No. 2002-00368 of a pipeline supplier refund.
5 Reconciliation of the PBRC from Case Nos. 2000-080-B, 2000-080-I, and 2002-00261.
6 Previous Total Remaining Under-Recovery in Case No. 2005-00526 of (\$184,848) as shown in Column 10, was erroneously transferred to the Summary Sheet as an Over-Recovery and reflected as a refund factor in calculating the Gas Cost Balance Adjustment for February through April 2005. This adjustment corrects that error.
7 Reconciliation of the PBRC from previous twelve months.
8 Reconciliation of the PBRC from previous twelve months.
9 Correction of Total Remaining Over(Under) Recovery (Col. 10) for August 1, 2006. Applicable Sales used in this calculation should have been 9,880,883 Mcf, instead of 7,486,966 Mcf, resulting in a Total Remaining Over(Under) Recovery of (\$1,711,456), instead of (\$1,808,410).

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2007-00XXX

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 Texas Gas Transmission LLC ("Texas Gas").

The Federal Energy Regulatory Commission ("FERC") approved the settlement of the rate case filed by Texas Gas in Docket No. RP05-317. The rates approved became effective June 1, 2006, and refunds covering the period from November 1, 2005, through January 31, 2006, were received by LG&E from Texas Gas on July 3, 2006.

Shown on Exhibit D-1, is LG&E's total expected refund obligation to its customers. The refund, including interest, is \$182,456.22, after a reduction for the portion applicable to gas used as electric department fuel. The 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.

Since the demand charges paid to Texas Gas are uniformly applied to both sales and standby transportation volumes in LG&E's GSC mechanism, the demand-related portion of the refundable amount should correspondingly apply to both sales volumes and standby transportation volumes under Rate TS. Therefore, we propose the refund of \$0.00050 per 100 cubic feet resulting from the demand-related portion of the total refund apply to both sales and standby transportation volumes. The commodity-related portion of the refund relates only to the volumes purchased by LG&E for resale. As such, the refund of \$0.0000 per 100 cubic feet, resulting from the commodity-related portion of the total refund applies only to sales volumes.

	<u>Sale Volumes</u>	<u>Transportation Volumes</u>
Demand-Related Portion	\$0.00050/Ccf	\$0.00050/Ccf
Commodity-Related Portion	<u>\$0.00000/Ccf</u>	<u>\$0.00000/Ccf</u>
Total Refund Factor		
Effective August 1, 2006		
Through July 31, 2007 (a)	\$0.00050/Ccf	\$0.00050/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY
Gas Supply Clause 2007-00XXX
 Calculation of Refund Factor
 Effective August 1, 2006 Through July 31, 2007

	<u>Refund Related to Commodity</u>	<u>Refund Related to Demand</u>	<u>Total Refund</u>
1 Total Cash Refund	(\$563.33)	\$180,275.71	\$179,712.38
2 Volume in Mcf Purchased by Company over refund period	6	10,458,817	
3 Portion of Line 2 Applicable to Electric Department	172,479	172,479	
4 Portion of refund applicable to Electric Department (line 3 / line 2) x line 1	(\$16,193,765.85)	\$2,972.97	(\$16,190,792.87)
5 Portion of Refund Applicable to Gas Department	(\$554.04)	\$177,301.16	\$176,747.12
6 Plus estimated interest on refundable amount	\$0.00	\$5,709.10	\$5,709.10
7 Expected refund obligation including interest	(\$554.04)	\$183,010.26	\$182,456.22
8 Expected Mcf sales for 12-month period beginning August 1, 2006	36,234,450	36,412,582	
9 Refund Factor per Mcf (\$ / Mcf) (line 7 / line 8)	\$0.0000	\$0.0050	
10 Refund Factor per Ccf (cents / Ccf)	0.000	0.050	

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2007-00xxx****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. Pursuant to the gas supply cost PBR mechanism approved in Case No. 2001-00117, the PBRRC established in Case No. 2006-00005, became applicable to gas service rendered on and after February 1, 2006 and will remain in effect until January 31, 2007, after which time a new adjustment level may be implemented. Therefore, as shown in the following table, the PBRRC amount which will become effective with gas service rendered on and after February 1, 2007, and will remain in effect until January 31, 2008, is \$0.01610 and \$0.00259 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.01351/Ccf	\$0.00000/Ccf
Demand-Related Portion	\$0.00259/Ccf	\$0.00259/Ccf
Total PBRRC	\$0.01610/Ccf	\$0.00259/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 2007-00XXX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2007

	CSPBR Related to <u>Commodity</u>	CSPBR Related to <u>Demand</u>
Shareholder Portion of PBR	\$4,535,766	\$873,615
Expected Mcf Sales for the 12 month period beginning February 1, 2007	33,575,288	33,707,441
PBRRC factor per Mcf	\$0.1351	\$0.0259
PBRRC factor per Ccf	\$0.01351	\$0.00259

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2007-00XXX
Shareholder Portion of PBR Savings
PBR Year 9

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)	\$4,535,766	\$873,615	\$5,409,381

LOUISVILLE GAS AND ELECTRIC COMPANY

GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
May 1, 2007 through July 31, 2007

	RATE PER 100 CUBIC FEET				TOTAL
	CUSTOMER CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
RATE RGS - RESIDENTIAL					
CUSTOMER CHARGE	\$8.50				
ALL CCF		\$0.15470	\$1.00111	0.00736	\$1.16317
RATE CGS - COMMERCI (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.00111	-0.00009	\$1.15070
OVER 1000 CCF/MONTH		\$0.09968	\$1.00111	-0.00009	\$1.10070
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.00111	-0.00009	\$1.15070
RATE CGS - COMMERCI (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.00111	-0.00009	\$1.15070
OVER 1000 CCF/MONTH		\$0.09968	\$1.00111	-0.00009	\$1.10070
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.00111	-0.00009	\$1.15070
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.00111	0.00000	\$1.15079
OVER 1000 CCF/MONTH		\$0.09968	\$1.00111	0.00000	\$1.10079
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.00111	0.00000	\$1.15079
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.00111	0.00000	\$1.15079
OVER 1000 CCF/MONTH		\$0.09968	\$1.00111	0.00000	\$1.10079
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.00111	0.00000	\$1.15079
Rate AAGS	\$150.00	\$0.05252	\$1.00111	-0.00009	\$1.05354

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE

RENDERED FROM

May 1, 2007 through July 31, 2007

	<u>RATE PER MCF</u>				<u>TOTAL</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>	
RATE TS					
RATE CGS - COMMERCIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9660	-0.00009	\$2.4627
OVER 100 MCF/MONTH		\$0.9968	\$0.9660	-0.00009	\$1.9627
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9660	-0.00009	\$2.4627
RATE IGS - INDUSTRIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9660	0.00000	\$2.4628
OVER 100 MCF/MONTH		\$0.9968	\$0.9660	0.00000	\$1.9628
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9660	0.00000	\$2.4628
Rate AAGS	\$90.00	\$0.5252	\$0.9660	-0.00009	\$1.4911

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Charges for Gas Transportation Services Provided Under Rate FT

May 1, 2007 through July 31, 2007

Transportation Service:

Monthly Transportation Administrative Charge	\$90.00
Distribution Charge / Mcf Delivered	\$0.4300

Ancillary Services:

Daily Demand Charge	\$0.2176
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3376
Monthly Demand Charge per Mcf of Reserved Balancing Service	\$6.6200
Monthly Balancing Charge per Mcf of Reserved Balancing Service	<u>\$3.6500</u>
	\$10.2700

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.

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**Charges for Gas Transportation Services Provided Under Rate FT
(for Special Contract Customers)**

May 1, 2007 through July 31, 2007

Transportation Service:

Monthly Transportation Administrative Charge	\$90.00
Monthly Customer Charge	As Per Special Contract
Distribution Charge / Mcf Delivered	As Per Special Contract
Monthly Demand Charge/Mcf	As Per Special Contract

Ancillary Services:

Daily Demand Charge	\$0.2176
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3376

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.
