



an e-on company

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 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
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

June 30, 2010

2010-00263

Re: Louisville Gas and Electric Company - Gas Supply Clause Effective August 1, 2010

RECEIVED

JUN 30 2010

PUBLIC SERVICE COMMISSION

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 four copies of the Sixth Revision of Original Sheet No. 85 of LG&E Tariff PSC Gas No. 7 setting forth a Gas Supply Cost Component of 64.295 cents per 100 cubic feet applicable to all gas sold during the period of August 1, 2010 through October 31, 2010. 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 August 1, 2010 through October 31, 2010.

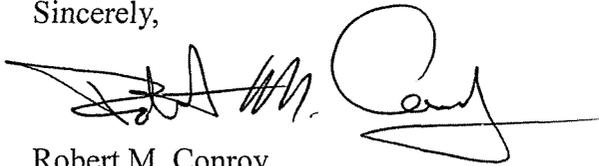
Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 of 6 and 6 of 6.

This filing represents expected gas costs for the three-month period August 1, 2010 through October 31, 2010. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on May 1, 2010. These adjustment levels will remain in effect from August 1, 2010 through October 31, 2010.

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
June 30, 2010

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, prominent "C" and a long horizontal stroke at the end.

Robert M. Conroy

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2010-00XXX

For the Period

August 1, 2010 through October 31, 2010

Louisville Gas and Electric Company

P.S.C. Gas No. 7, Sixth Revision of Original Sheet No. 85
 Canceling P.S.C. Gas No. 7, Fifth Revision of Original Sheet No. 85

Adjustment Clause	GSC	
Gas Supply Clause		
APPLICABLE TO		
All gas sold.		
 GAS SUPPLY COST COMPONENT (GSCC)		
Gas Supply Cost	\$0.64243	I
Gas Cost Actual Adjustment (GCAA)	(0.02991)	I
Gas Cost Balance Adjustment (GCBA)	0.02579	I
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 February 1, 2010	(0.00064)	T
Refund Factor Effective August 1, 2010	<u>(0.00021)</u>	T
Total Refund Factor	(0.00085)	R
Performance-Based Rate Recovery Component (PBRRC)	<u>0.00549</u>	
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	\$0.64295	I

Date of Issue: June 30, 2010

Date Effective: August 1, 2010

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

Summary

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After August 1, 2010

2010-00XXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	21,053,292
Total Expected Customer Deliveries: August 1, 2010 through October 31, 2010	Mcf	3,277,139
Gas Supply Cost Per Mcf	\$/Mcf	6.4243
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	64.243

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

Description	Unit	Amount
Current Quarter Actual Adjustment	Eff. August 1, 2010 (Case No. 2009-00457)	¢/Ccf (0.729)
Previous Quarter Actual Adjustment	Eff. May 1, 2010 (Case No. 2009-00395)	¢/Ccf 0.456
2nd Previous Qrt. Actual Adjustment	Eff. February 1, 2010 (Case No. 2009-00248)	¢/Ccf (1.197)
3rd Previous Qrt. Actual Adjustment	Eff. November 1, 2009 (Case No. 2009-00140)	¢/Ccf (1.521)
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(2.991)

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

Description	Unit	Amount
Balance Adjustment Amount	\$	(845,195)
Total Expected Customer Deliveries: August 1, 2010 through October 31, 2010	Mcf	3,277,139
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	0.2579
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	2.579

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Refund Factor Effective:		
Current Quarter Refund Factor	Eff. August 1, 2010	¢/Ccf (0.021)
2nd Previous Qrt. Refund Factor	Eff. February 1, 2010	¢/Ccf (0.064)
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	(0.085)

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

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.549
Total of PBRRC Factors Per 100 Cubic Feet	¢/Ccf	0.549

Gas Supply Cost Component (GSCC) Effective August 1, 2010 through October 31, 2010

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	64.243
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(2.991)
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	2.579
Refund Factors (RF)	¢/Ccf	(0.085)
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.549
Total Gas Supply Cost Component (GSCC)	¢/Ccf	64.295

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From August 1, 2010 through October 31, 2010

	August	September	October	Total Aug10 thru Oct10
MMBtu				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	1,789,696	1,704,669	2,037,711	5,532,076
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)	1,240,000	1,200,000	1,240,000	3,680,000
5. Expected Gas Supply Transported Under Tenn 's Rate FT-A (Zone 1)	0	0	0	0
6. Total MMBtu Purchased	3,897,696	3,744,669	4,145,711	11,788,076
7. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	0
8. Less: Injections into Texas Gas' NNS Storage Service	63,395	30,000	310,000	403,395
9. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,834,301	3,714,669	3,835,711	11,384,681
Mcf				
10. Total Purchases in Mcf	3,802,630	3,653,336	4,044,596	
11. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	
12. Less: Injections Texas Gas' NNS Storage Service	61,849	29,268	302,439	
13. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,740,781	3,624,068	3,742,157	
14. Plus: Customer Transportation Volumes under Rate TS	6,195	4,998	5,708	
15. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 13 + Line 14)	3,746,976	3,629,066	3,747,865	
16. Less: Purchases for Depts. Other Than Gas Dept.	2	375	9	
17. Less: Purchases Injected into LG&E's Underground Storage	2,967,361	2,743,226	2,076,667	
18. Mcf Purchases Expensed during Month (Line 13 - Line 16 - Line 17)	773,418	880,467	1,665,481	3,319,366
19. LG&E's Storage Inventory - Beginning of Month	6,633,001	9,559,001	12,257,001	
20. Plus: Storage Injections into LG&E's Underground Storage (Line 17)	2,967,361	2,743,226	2,076,667	
21. LG&E's Storage Inventory - Including Injections	9,600,362	12,302,227	14,333,668	
22. Less: Storage Withdrawals from LG&E's Underground Storage	0	0	0	0
23. Less: Storage Losses	41,361	45,226	43,667	130,254
24. LG&E's Storage Inventory - End of Month	9,559,001	12,257,001	14,290,001	
25. Mcf of Gas Supply Expensed during Month (Line 18 + Line 22 + Line 23)	814,779	925,693	1,709,148	3,449,620
Cost				
26. Total Demand Cost - Including Transportation (Line 15 x Line 48)	\$3,681,029	\$3,565,194	\$3,681,903	
27. Less: Demand Cost Recovered thru Rate TS (Line 14 x Line 48)	6,086	4,910	5,608	
28. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$3,674,943	\$3,560,284	\$3,676,295	
29. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 49)	8,883,156	8,527,777	10,342,606	
30. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 50)	1,527,091	1,489,590	1,561,904	
31. Commodity Costs - Gas Supply Under Rate STF (Line 3 x Line 51)	2,765,950	2,697,894	2,828,614	
32. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 4 x Line 52)	6,110,720	5,961,360	6,252,204	
33. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 5 x Line 53)	0	0	0	
34. Total Purchased Gas Cost	\$22,961,860	\$22,236,905	\$24,661,623	\$69,860,388
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)	314,661	150,078	1,573,436	2,038,175
37. Total Cost of Gas Delivered to LG&E	\$22,647,199	\$22,086,827	\$23,088,187	\$67,822,213
38. Less: Purchases for Depts. Other Than Gas Dept (Line 16 x Line 54)	12	2,285	56	2,353
39. Less: Purchases Injected into LG&E's Storage (Line 17 x Line 54)	17,964,700	16,718,591	12,812,620	47,495,911
40. Pipeline Deliveries Expensed During Month	\$4,682,487	\$5,365,951	\$10,275,511	\$20,323,949
41. LG&E's Storage Inventory - Beginning of Month	\$34,633,551	\$52,371,642	\$68,836,239	
42. Plus: LG&E Storage Injections (Line 39 above)	17,964,700	16,718,591	12,812,620	
43. LG&E's Storage Inventory - Including Injections	\$52,598,251	\$69,090,233	\$81,648,859	
44. Less: LG&E Storage Withdrawals (Line 22 x Line 55)	0	0	0	\$0
45. Less: LG&E Storage Losses (Line 23 x Line 55)	226,609	253,994	248,740	729,343
46. LG&E's Storage Inventory - End of Month	\$52,371,642	\$68,836,239	\$81,400,119	
47. Gas Supply Expenses (Line 40 + Line 44 + Line 45)	\$4,909,096	\$5,619,945	\$10,524,251	\$21,053,292
Unit Cost				
48. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.9824	\$0.9824	\$0.9824	
49. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$4.9635	\$5.0026	\$5.0756	
50. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$4.9261	\$4.9653	\$5.0384	
51. Commodity Cost (per MMBtu) under Texas Gas's Rate STF	\$4.9569	\$4.9961	\$5.0692	
52. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$4.9280	\$4.9678	\$5.0421	
53. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$5.0045	\$5.0440	\$5.1177	
54. Average Cost of Deliveries (Line 37 / Line 13)	\$6.0541	\$6.0945	\$6.1698	
55. Average Cost of Inventory - Including Injections (Line 43 / Line 21)	\$5.4788	\$5.6161	\$5.6963	
56. Total Expected Mcf Deliveries (Sales) to Customers (August 1, 2010 through October 31, 2010)				3,277,139 Mcf
57. Current Gas Supply Cost (Line 47 / Line 56)				\$6,4243 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From August 1, 2010 through October 31, 2010

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$12.7104	x	119,913	MMBtu	) x 12	\$18,289,706
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$5.9992	x	10,000	MMBtu	) x 12	719,904
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)							9,646,577

ANNUAL DEMAND COSTS

\$33,398,732

Expected Annual Deliveries from Pipeline Transporters	34,847,010
(Including Transportation Under Rate TS) - MMBtu	

Expected Annual Deliveries from Pipeline Transporters	33,997,083
(Including Transportation Under Rate TS) - Mcf	

AVERAGE DEMAND COST PER MCF

0.9824

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
For The Three-Month Period From August 1, 2010 through October 31, 2010

Pipeline Supplier's Demand Component per Mcf	\$0.9824
--	----------

Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	(0.0085)
---	----------

Performance Based Rate Recovery Component (see Exhibit E)	<u>0.0126</u>
--	---------------

Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation	<u>0.9865</u>
---	----------------------

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

Design Day Requirements (in Mcf)	487,858
----------------------------------	---------

(Annual Demand Costs / Design Day Requirements / 365 Days) - 100% Load Factor Rate	<u>\$0.1876</u>
--	------------------------

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2010-00XXX

Gas Supply Cost Effective August 1, 2010

LG&E is served by Texas Gas Transmission, LLC (“TGT”) pursuant to the terms of transportation agreements under Rates NNS-4, FT-4, and STF-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 August 28, 2009, TGT submitted tariff sheets to the FERC in Docket No. RP09-962 to implement a new ACA Unit Charge of \$0.0019/MMBtu. The tariffed rates otherwise applicable to LG&E remain unaltered from those set forth in FERC Docket RP08-392. That docket reflected a tariff reorganization by TGT and a restatement of rates previously in effect and approved by FERC.

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 which became effective October 1, 2009, and will be applicable on and after August 1, 2010. The tariffed rates are as follows: (a) a daily demand charge of \$0.4190/MMBtu, and (b) a commodity charge of \$0.0633/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 \$12.7104/MMBtu and a volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0633/MMBtu.

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

On August 28, 2009, TGT submitted tariff sheets to the FERC in Docket No. RP09-962 to implement a new ACA Unit Charge of \$0.0019/MMBtu. The tariffed rates otherwise applicable to LG&E remain unaltered from those set forth in FERC Docket No. RP08-392. That docket reflected a tariff reorganization by TGT and a restatement of rates previously in effect and approved by FERC.

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 applicable on and after August 1, 2010. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges which became effective September 15, 2008. Page 3

contains the tariff sheet which sets forth the commodity charges which became effective October 1, 2009. The tariffed rates are as follows: (a) a daily demand charge of \$0.3142/MMBtu, and (b) a commodity charge of \$0.0527/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$5.9992/MMBtu and an annual volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0219/MMBtu.

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

On August 28, 2009, TGT submitted tariff sheets to the FERC in Docket No. RP09-962 to implement a new ACA Unit Charge of \$0.0019/MMBtu. The tariffed rates otherwise applicable to LG&E remain unaltered from those set forth in FERC Docket No. RP08-392. That docket reflected a tariff reorganization by TGT and a restatement of rates previously in effect and approved by FERC.

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 August 1, 2010, and which became effective September 15, 2008. 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 \$0.0527/MMBtu; and for the summer season, (a) a daily demand charge of \$0.2042/MMBtu, and (b) a commodity charge of \$0.0527.

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 \$0.5248/MMBtu and a summer season commodity rate of \$0.0527/MMBtu.

Tennessee Gas Pipeline Company

On April 19, 2010, TGPL filed tariff sheets at the FERC in Docket No. RP10-619 to file in accordance with the FERC’s September 19, 2008, Docket No. RM01-5, Final Rule, Order No. 714, its Baseline Electronic Tariff, Sixth Revised Volume No. 1 with an effective date of April 19, 2010. Tennessee’s new tariff format and order of content contain no substantive changes to the previously effective tariff.

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-4 applicable and effective on and after August 1, 2010. 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 effective April 19, 2010. The tariffed rates are as follows for deliveries from Zone 0 to Zone 2: (a) a monthly demand charge of \$9.06/MMBtu, and (b) a commodity charge of \$0.0899/MMBtu. The tariffed rates are as follows for deliveries from

Zone 1 to Zone 2: (a) a monthly demand charge of \$7.62/MMBtu, and (b) a commodity charge of \$0.0795/MMBtu.

LG&E has negotiated rate agreements 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 June 28, 2010, are \$4.733/MMBtu for August, \$4.772/MMBtu for September, and \$4.850/MMBtu for October. 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 about the same as last year;¹
- Although the price of oil (currently about \$77 per barrel) has increased from the lows of about \$31 per barrel observed in late December 2008, natural gas prices have not followed;
- The demand for natural gas in the industrial sector has decreased as a result of the current economic downturn, but an economic upturn could increase industrial demand and natural gas prices with it;
- A weakening dollar could cause investors to increase their position in commodities and thereby increase the price of natural gas;
- Weakness in U.S. gas prices relative to those in Europe has stemmed liquefied natural gas imports into the U.S., with only modest growth in LNG receipts expected;
- New domestic supplies from unconventional shale gas plays are coming on line;
- New pipeline infrastructure is bringing new natural gas supplies to market;

¹ The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending June 18, 2010, indicated that storage inventory levels were 0.5% lower than last year’s levels. Storage inventories across the nation are 14 Bcf (2,624 Bcf – 2,638 Bcf), or 0.5%, lower this year than the same period one year ago. Last year at this time, 2,638 Bcf was held in storage, while this year 2,624 Bcf is held in storage. Storage inventories across the nation are 309 Bcf (2,624 Bcf – 2,315 Bcf), or 13%, higher this year than the five-year average. On average for the last five years at this time, 2,315 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.

- The impact on natural gas supply of the expected decline in natural gas drilling is uncertain, as is potential for increased demand for natural gas by gas-fired electric generators owing to the lower price of natural gas when compared to alternate fuel costs;
- Weather-driven demand (including demand from gas-fired generation to meet electric loads arising from hot weather) will be a driver in boosting the demand for natural gas during the summer storage refill season; and
- Potential supply disruptions during the upcoming hurricane season could boost prices.

During the three-month period under review, August 1, 2010 through October 31, 2010, LG&E estimates that its total purchases will be 11,384,681 MMBtu. LG&E expects that 5,128,681 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (5,532,076 MMBtu in pipeline deliveries less 403,395 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; 3,680,000 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 \$4.7630 per MMBtu in August 2010, \$4.8010 in September 2010, and \$4.8720 in October 2010. 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 \$4.7630 per MMBtu in August 2010, \$4.8010 in September 2010, and \$4.8720 in October 2010. 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 \$4.7630 per MMBtu in August 2010, \$4.8010 in September 2010, and \$4.8720 in October 2010. 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 \$4.6930 per MMBtu in August 2010, \$4.7310 in September 2010, and \$4.8020 in October 2010, 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 \$4.8030 per MMBtu in August 2010, \$4.8410 in September 2010, and \$4.9120 in October 2010.

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>
August 2010	\$4.7630	2.80%	\$0.0633	\$4.9635
September	\$4.8010	2.80%	\$0.0633	\$5.0026
October	\$4.8720	2.80%	\$0.0633	\$5.0756

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>
August 2010	\$4.7630	2.88%	\$0.0219	\$4.9261
September	\$4.8010	2.88%	\$0.0219	\$4.9653
October	\$4.8720	2.88%	\$0.0219	\$5.0384

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>
August 2010	\$4.7630	2.88%	\$0.0527	\$4.9569
September	\$4.8010	2.88%	\$0.0527	\$4.9961
October	\$4.8720	2.88%	\$0.0527	\$5.0692

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				
August 2010	\$4.6930	4.43%	\$0.0175	\$4.9280
September	\$4.7310	4.43%	\$0.0175	\$4.9678
October	\$4.8020	4.43%	\$0.0175	\$5.0421
Zone 1				
August 2010	\$4.8030	3.69%	\$0.0175	\$5.0045
September	\$4.8410	3.69%	\$0.0175	\$5.0440
October	\$4.9120	3.69%	\$0.0175	\$5.1177

The annual demand billings covering the 12 months from August 1, 2010 through July 31, 2011, for the firm contracts with natural gas suppliers are currently expected to be \$9,646,577.

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 August 1, 2010 through October 31, 2010 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
Third Revised Volume No. 1

Second Revised Sheet No. 26
Superseding
First Revised Sheet No. 26

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	0.0019	0.0272
Overrun	0.2053	0.0019	0.2072
Zone 1			
Daily Demand	0.2782		0.2782
Commodity	0.0431	0.0019	0.0450
Overrun	0.3213	0.0019	0.3232
Zone 2			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0019	0.0479
Overrun	0.3548	0.0019	0.3567
Zone 3			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0019	0.0509
Overrun	0.4033	0.0019	0.4052
Zone 4			
Daily Demand	0.4190		0.4190
Commodity	0.0614	0.0019	0.0633
Overrun	0.4804	0.0019	0.4823
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 16 of the General Terms and Conditions.			
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental transportation charge of:			
	Daily Demand	\$0.0621	
	Commodity	\$0.0155	
	Overrun	\$0.0776	
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.			
- 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.			

Issued by: J. Kyle Stephens, VP, Regulatory Affairs and Rates

Issued on: August 28, 2009

Effective on: October 1, 2009

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

Substitute Original Sheet No. 21

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.

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 16 of the General Terms and Conditions.
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay 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.
- 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 Gas Tariff
Third Revised Volume No. 1

Second Revised Sheet No. 22
Superseding
First Revised Sheet No. 22

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	0.0019	0.0123
SL-1	0.0355	0.0019	0.0374
SL-2	0.0399	0.0019	0.0418
SL-3	0.0445	0.0019	0.0464
SL-4	0.0528	0.0019	0.0547
1-1	0.0337	0.0019	0.0356
1-2	0.0385	0.0019	0.0404
1-3	0.0422	0.0019	0.0441
1-4	0.0508	0.0019	0.0527
2-2	0.0323	0.0019	0.0342
2-3	0.0360	0.0019	0.0379
2-4	0.0446	0.0019	0.0465
3-3	0.0312	0.0019	0.0331
3-4	0.0398	0.0019	0.0417
4-4	0.0360	0.0019	0.0379

Minimum Rates: Commodity minimum base rates are presented on Sheet 32.

Backhaul rates equal fronthaul rates to zone of delivery.

Notes:

- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay 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.
- 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.

Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service under Rate Schedule STF		
	Peak (Winter)-Demand	Off-Peak (Summer)-Demand
	----- Currently Effective Rates [1] -----	----- Currently Effective Rates [1] -----
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

Notes:

- The STF commodity rate is the applicable FT commodity rate on Sheet No. 22. The STF overrun rate equals the daily demand rate plus applicable FT commodity rate. Minimum rate: Demand \$-0- The minimum commodity rate is presented on Sheet 32.
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay 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.
- 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
FERC Gas Tariff
Sixth Revised Volume No. 1

Original Sheet No. 14

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/	\$0.00		\$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, 2010 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.

Tennessee Gas Pipeline Company
FERC Gas Tariff
Sixth Revised Volume No. 1

Original 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	\$0.0439		\$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	\$0.0458		\$0.0688	\$0.0899	\$0.0997	\$0.1137	\$0.1250	\$0.1627
L		\$0.0305						
1	\$0.0688		\$0.0591	\$0.0795	\$0.0893	\$0.1033	\$0.1145	\$0.1522
2	\$0.0899		\$0.0795	\$0.0452	\$0.0549	\$0.0700	\$0.0802	\$0.1178
3	\$0.0997		\$0.0893	\$0.0549	\$0.0385	\$0.0682	\$0.0784	\$0.1161
4	\$0.1148		\$0.1044	\$0.0700	\$0.0682	\$0.0420	\$0.0478	\$0.0853
5	\$0.1250		\$0.1145	\$0.0802	\$0.0784	\$0.0478	\$0.0446	\$0.0784
6	\$0.1627		\$0.1522	\$0.1178	\$0.1161	\$0.0853	\$0.0784	\$0.0661

Notes:

- 1/ The above maximum rates include a per Dth charge for:
(ACA) Annual Charge Adjustment \$0.0019
- 2/ The applicable fuel retention percentages are listed on Sheet No. 32, 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: 2010-00XXX****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 2009-00457 during the three-month period of February 1, 2010 through April 30, 2010, was \$2,305,803. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a refund of 0.729¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after August 1, 2010, 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 February 2010 through April 2010. [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 2008-00564, with service rendered through July 31, 2010, 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 November 2010.

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

Current Quarter Actual Adjustment:	
Effective August 1, 2010 from 2009-00457	(0.729) cents/Ccf
Previous Quarter Actual Adjustment:	
Effective May 1, 2010 from 2009-00395	0.456 cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective February 1, 2010 from 2009-00248	(1.197) cents/Ccf
3rd Previous Quarter Actual Adjustment:	
Effective November 1, 2009 from 2009-00140	(1.521) cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	(2.991) 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 Actual Gas Supply Costs			(4) Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries				
			(2) Total Dollars of Gas Cost Recovered ¹	(3) Gas Supply Cost Per Books ²	(5) Over Or (Under) Recovery (1) - (2)	(6) Expected Mcf Sales for 12- Month Period From Date Implemented	(7) GCAA Per Mcf	(8) GCAA Per 100 Cu. Ft.	(9) Implemented With Service Rendered On	
Feb-2005	Apr-2005	1	(Case No. 2004-00526)	97,013,157	96,350,924	662,233	36,428,002	(\$0.0182)	(\$0.00182)	8/1/2005
May-2005	Jul-2005	2	(Case No. 2005-00143)	31,352,437	29,163,240	2,189,197	35,923,358	(\$0.0609)	(\$0.00609)	11/1/2005
Aug-2005	Oct-2005	3	(Case No. 2005-00274)	26,937,216	45,136,099	(18,198,883)	36,264,049	\$0.5018	\$0.05018	2/1/2006
Nov-2005	Jan-2006	4	(Case No. 2005-00401)	195,225,843	176,113,181	19,112,662	36,235,391	(\$0.5275)	(\$0.05275)	5/1/2006
Feb-2006	Apr-2006	5	(Case No. 2006-00005)	118,813,736	99,908,070	18,905,666	36,234,450	(\$0.5218)	(\$0.05218)	8/1/2006
May-2006	Jul-2006	6	(Case No. 2006-00138)	25,653,769	25,555,064	98,705	33,519,195	(\$0.0029)	(\$0.00029)	11/1/2006
Aug-2006	Oct-2006	7	(Case No. 2006-00335)	30,851,071	27,737,106	3,113,965	33,575,288	(\$0.0927)	(\$0.00927)	2/1/2007
Nov-2006	Jan-2007	8	(Case No. 2006-00431)	117,566,789	121,616,960	(4,050,171)	33,784,429	\$0.1199	\$0.01199	5/1/2007
Feb-2007	Apr-2007	9	(Case No. 2007-00001)	96,196,128	109,420,254	(13,224,126)	33,829,123	\$0.3909	\$0.03909	8/1/2007
May-2007	Jul-2007	10	(Case No. 2007-00141)	25,771,197	22,055,021	3,716,176	32,562,833	(\$0.1141)	(\$0.01141)	11/1/2007
Aug-2007	Oct-2007	11	(Case No. 2007-00267)	27,831,017	22,940,375	4,890,642	32,561,210	(\$0.1502)	(\$0.01502)	2/1/2008
Nov-2007	Jan-2008	12	(Case No. 2007-00428)	131,149,323	138,564,724	(7,415,401)	32,334,823	\$0.2293	\$0.02293	5/1/2008
Feb-2008	Apr-2008	13	(Case No. 2007-00559)	103,258,883	119,589,310	(16,330,427)	32,320,126	\$0.5053	\$0.05053	8/1/2008
May-2008	Jul-2008	14	(Case No. 2008-00117)	33,383,585	42,952,739	(9,569,154)	31,639,729	\$0.3024	\$0.03024	11/1/2008
Aug-2008	Oct-2008	15	(Case No. 2008-00246)	50,053,758	28,898,124	21,155,634	31,498,657	(\$0.6716)	(\$0.06716)	2/1/2009
Nov-2008	Jan-2009	16	(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	17	(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	18	(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	19	(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	20	(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	21	(Case No. 2009-00457)	69,543,463	67,237,660	2,305,803	31,614,470	(\$0.0729)	(\$0.00729)	8/1/2010

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	November 1, 2008 through January 31, 2009	February 1, 2009 through April 30, 2009	May 1, 2009 through July 31, 2009	August 1, 2009 through October 31, 2009	November 1, 2009 through January 31, 2010	February 1, 2010 through April 30, 2010
1	NOV	2,158,532	1,038,797				
2	DEC	5,214,230	5,214,230				
3	2009 JAN	6,465,823	6,465,823				
4	FEB	5,911,463	3,180,536	2,730,927			
5	MAR	4,228,050		4,228,050			
6	APR	2,732,278		2,732,278			
7	MAY	1,365,407		836,448	528,959		
8	JUN	970,692		970,692			
9	JULY	742,923		742,923			
10	AUG	747,644		363,582	384,062		
11	SEP	721,539			721,539		
12	OCT	1,081,546			1,081,546		
13	NOV	1,956,901			1,109,292	847,608	
14	DEC	4,083,605				4,083,605	
15	2010 JAN	6,933,709				6,933,709	
16	FEB	6,580,311				3,441,834	3,138,477
17	MAR	5,395,810					5,395,810
18	APR	2,113,814					2,113,814
19	MAY	1,119,086					497,841
20	Applicable Mcf Sales During 3 Month Period	15,899,387	10,527,702	2,606,156	3,296,439	15,306,756	11,145,941
21	Gas Supply Clause Case No.	2008-00430	2008-00564	2009-00140	2009-00248	2009-00395	2009-00457
22	Gas Supply Cost Recovered Per Mcf Sold	\$ 10.1049	\$ 9.0631	\$ 6.0513	5.6182	6.2628	6.2112
23	Dollars of Recovery Under GSC	\$ 160,661,715	\$ 95,413,619	\$ 15,770,629	\$ 18,520,052	\$ 95,863,150	\$ 69,229,671
24	Total Dollars Recovered During 3-Month Period						
25	Mcf of Customer-Owned Gas Transported Under Rate TS	17,599	17,368	19,652	18,713	6,230	5,325
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period						
27	Pipeline Suppliers' Demand Component Per Mcf	0.9864	0.9926	0.9946	0.9958	0.9732	0.9783
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)	\$ 17,359	\$ 17,240	\$ 19,545	\$ 18,634	\$ 6,063	\$ 5,209
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$ 255,317	\$ 150,423	\$ 131,059	\$ 176,966	\$ 325,650	\$ 150,823
30	Revenues from Off-system Sales	\$ -	\$ -	\$ -	\$ -	\$ 1,239,545	\$ 157,760
31	Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30)	\$ 160,934,391	\$ 95,581,282	\$ 15,921,233	\$ 18,715,652	\$ 97,434,409	\$ 69,543,463

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)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Billing Month	Case Number	UCDI Demand Chrg / Mcf	Seasonal RBS Demand Chrg / Mcf	RBS Demand Chrg / Mcf	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	MMBTU Adjust. (Mcf)	MMBTU Adjust. (\$)	UCDI Mcf	UCDI \$ [(3) x (10)]	Seasonal RBS Mcf	Seasonal RBS \$ [(4) x (12)]	RBS Mcf	RBS \$ [(5) x (14)]	OFO \$	Monthly \$'s Recovered
																[(7)+(9)+(11) + (13)+(15)+(16)]
Total FT Revenues																\$882,469.78
2008 Feb	2007-00559	0.2115	0	\$6.43	1,540.1	\$27,701.32	2,357.0	\$ 19,961.09	147,843.4	\$31,268.88	0.0	\$0.00	0.00	\$0.00	\$0.00	\$78,931.29
Mar	2007-00559	0.2115	0	\$6.43	2,436.2	\$25,806.10	2,725.0	\$ 26,825.16	111,721.1	\$23,629.01	0.0	\$0.00	0.00	\$0.00	\$1,076.74	\$77,337.01
Apr	2007-00559	0.2115	0	\$6.43	715.3	\$8,661.06	1,700.0	\$ 17,284.69	107,325.7	\$22,699.39	0.0	\$0.00	0.00	\$0.00	\$0.00	\$48,645.14
Total FT Revenues																\$204,913.44
2008 May	2008-00117	0.2115	0	\$6.43	944.8	\$12,353.88	1,411.0	\$ 15,546.32	71,617.5	\$15,147.10	0.0	\$0.00	0.00	\$0.00	\$0.00	\$43,047.30
Jun	2008-00117	0.2115	0	\$6.43	4,763.5	\$78,367.27	428.0	\$ 5,139.10	52,065.2	\$11,011.79	0.0	\$0.00	0.00	\$0.00	\$0.00	\$94,518.16
Jul	2008-00117	0.2115	0	\$6.43	4,633.0	\$70,866.81	234.0	\$ 2,392.72	61,706.6	\$13,050.95	0.0	\$0.00	0.00	\$0.00	\$0.00	\$86,310.48
Total FT Revenues																\$223,875.95
2008 Aug	2008-00246	0.2115	0	\$6.43	-	\$360.00	608.0	\$ 4,945.30	70,548.7	\$14,921.05	0.0	\$0.00	0.00	\$0.00	\$2,589.51	\$22,815.86
Sept	2008-00246	0.2115	0	\$6.43	784.5	\$7,117.42	966.0	\$ 7,167.76	78,910.2	\$16,689.51	0.0	\$0.00	0.00	\$0.00	\$7,109.59	\$38,084.28
Oct	2008-00246	0.2115	0	\$6.43	36,041.0	\$297,183.65	1,166.0	\$ 8,623.96	105,618.0	\$22,338.21	0.0	\$0.00	0.00	\$0.00	\$0.00	\$328,145.82
Total FT Revenues																\$389,045.95
2008 Nov	2008-00430	0.2125	0	\$6.47	14,111.8	\$106,444.45	1,096.0	\$ 7,871.68	113,656.9	\$24,152.09	0.0	\$0.00	0.00	\$0.00	\$0.00	\$138,468.22
Dec	2008-00430	0.2125	0	\$6.47	670.5	\$4,986.45	827.0	\$ 4,821.87	106,667.9	\$22,666.93	0.0	\$0.00	0.00	\$0.00	\$0.00	\$32,475.25
2009 Jan	2008-00430	0.2125	0	\$6.47	5,065.1	\$39,453.04	1,291.0	\$ 7,245.48	156,338.6	\$33,221.95	0.0	\$0.00	0.00	\$0.00	\$4,452.63	\$84,373.10
Total FT Revenues																\$255,316.57
2009 Feb	2008-00564	0.2128	0	\$6.47	5,424.7	\$33,816.78	3,097.0	\$ 15,459.65	125,374.3	\$26,679.65	0.0	\$0.00	0.00	\$0.00	\$0.00	\$75,956.08
Mar	2008-00564	0.2128	0	\$0.00	1,279.9	\$6,602.77	2,500.0	\$ 11,516.64	95,329.3	\$20,286.08	0.0	\$0.00	0.00	\$0.00	\$0.00	\$38,405.49
Apr	2008-00564	0.2128	0	\$0.00	2,710.1	\$11,834.10	1,207.0	\$ 4,532.46	92,552.1	\$19,695.09	0.0	\$0.00	0.00	\$0.00	\$0.00	\$36,061.65
Total FT Revenues																\$150,423.21
2009 May	2009-00140	0.1928	0	\$0.00	3,889.7	\$18,545.73	-	\$ -	56,224.7	\$10,840.12	0.0	\$0.00	0.00	\$0.00	\$0.00	\$29,385.85
Jun	2009-00140	0.1928	0	\$0.00	5,387.0	\$24,707.84	-	\$ -	62,931.2	\$12,133.14	0.0	\$0.00	0.00	\$0.00	\$0.00	\$36,840.98
Jul	2009-00140	0.1928	0	\$0.00	14,081.1	\$54,957.58	-	\$ -	51,217.7	\$9,874.77	0.0	\$0.00	0.00	\$0.00	\$0.00	\$64,832.35
Total FT Revenues																\$131,059.18
2009 Aug	2009-00248	0.1928	0	\$0.00	2,985.6	\$11,748.33	-	\$ -	53,754.8	\$10,363.93	0.0	\$0.00	0.00	\$0.00	\$0.00	\$22,112.26
Sept	2009-00248	0.1928	0	\$0.00	18,592.6	\$68,106.52	-	\$ -	72,007.5	\$13,883.05	0.0	\$0.00	0.00	\$0.00	\$0.00	\$81,989.57
Oct	2009-00248	0.1928	0	\$0.00	10,618.5	\$57,695.26	-	\$ -	78,674.6	\$15,168.46	0.0	\$0.00	0.00	\$0.00	\$0.00	\$72,863.72
Total FT Revenues																\$176,965.54
2009 Nov	2009-00395	0.1881	0	\$0.00	23,838.0	\$122,061.68	-	\$ -	71,325.9	\$13,416.40	0.0	\$0.00	0.00	\$0.00	\$0.00	\$135,478.08
Dec	2009-00395	0.1881	0	\$0.00	6,173.7	\$40,850.44	-	\$ -	144,974.3	\$27,269.67	0.0	\$0.00	0.00	\$0.00	\$34,054.51	\$102,174.62
2010 Jan	2009-00395	0.1881	0	\$0.00	3,149.3	\$23,558.22	-	\$ -	241,661.2	\$45,456.47	0.0	\$0.00	0.00	\$0.00	\$18,982.74	\$87,997.43
Total FT Revenues																\$325,650.13
2010 Feb	2009-00457	0.1876	0	\$0.00	2,938.6	\$18,001.86	-	\$ -	194,324.7	\$36,455.31	0.0	\$0.00	0.00	\$0.00	\$323.41	\$54,780.58
Mar	2009-00457	0.1876	0	\$0.00	8,347.8	\$41,989.44	-	\$ -	103,776.6	\$19,468.49	0.0	\$0.00	0.00	\$0.00	\$0.00	\$61,457.93
Apr	2009-00457	0.1876	0	\$0.00	2,076.2	\$9,114.52	-	\$ -	135,766.4	\$25,469.78	0.0	\$0.00	0.00	\$0.00	\$0.00	\$34,584.30
Total FT Revenues																\$150,822.81

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
	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	Gas Supply Cost
February	3,542,768	98,373	(61,790)	(42,607)	2,729,438	34,390	6,300,572	34,245,510	801,614	(596,837)	(412,001)	19,731,653	248,612	8,343	54,026,895
March	2,679,353	0	(93,561)	0	1,923,034	29,366	4,538,192	29,309,488	0	(989,829)	0	13,901,805	212,290	6,564	42,440,318
April	1,220,252	0	(62,351)	0	947,762	24,645	2,130,308	16,953,378	0	(866,384)	0	6,851,466	178,161	5,476	23,122,097
Total February 2008 thru April 2008							12,969,072								119,589,310
May	1,081,443	0	(209)	0	103,443	26,655	1,211,332	17,879,722	0	(3,416)	0	747,810	192,694	4,184	18,820,994
June	2,440,847	0	(1,257)	(1,616,782)	537	28,441	851,786	37,956,895	0	(14,816)	(25,130,936)	5,809	307,683	3,451	13,128,086
July	3,710,065	0	(2)	(2,895,693)	356	35,028	849,754	48,406,651	0	(25)	(37,826,148)	4,201	413,376	5,604	11,003,659
Total May 2008 thru July 2008							2,912,872								42,952,739
August	3,698,782	0	(3)	(2,912,887)	375	40,986	827,253	34,917,638	0	(29)	(27,496,197)	4,154	453,973	3,957	7,883,496
September	3,526,849	0	(394)	(2,701,640)	520	44,706	870,041	30,073,443	0	(6,243)	(23,003,114)	5,463	469,713	7,574	7,546,836
October	3,643,764	0	(4)	(1,987,021)	654	43,013	1,700,406	28,557,376	0	(55)	(15,537,312)	6,624	435,627	5,533	13,467,793
Total August 2008 thru October 2008							3,397,700								28,898,124
November	3,360,639	0	(77)	(170,646)	788,995	48,849	4,027,760	26,556,827	0	(553)	(1,348,069)	7,969,639	493,424	4,898	33,676,164
December	4,024,211	0	(5,141)	(145,234)	2,348,926	46,357	6,269,119	31,234,943	0	(38,091)	(1,126,144)	23,667,309	467,084	7,403	54,212,503
January	4,711,774	0	(3,708)	0	2,812,322	42,238	7,562,626	32,412,618	0	(25,728)	0	28,336,394	425,582	6,270	61,155,136
Total November 2008 thru January 2009							17,859,505								149,043,803
February	2,576,368	0	(177)	0	2,664,440	35,962	5,276,593	16,099,997	0	(1,535)	0	26,846,365	362,346	(313)	43,306,858
March	1,638,944	0	(6,159)	(11,499)	1,674,832	31,142	3,327,260	10,174,357	0	(62,057)	(71,390)	16,862,041	313,535	6,912	27,223,397
April	754,580	0	(17)	0	1,332,024	26,162	2,112,749	3,770,813	0	(176)	0	13,410,684	263,396	6,683	17,451,401
Total February 2009 thru April 2009							10,716,602								87,981,656
May	774,989	0	(422)	0	279,160	27,161	1,080,888	1,015,515	0	(4,250)	0	2,810,555	273,454	5,622	4,100,896
June	2,436,319	0	(5,309)	(1,611,759)	1,707	28,441	849,399	9,930,387	0	(54,793)	(6,604,021)	12,896	214,858	5,665	3,504,991
July	3,670,873	0	4,074	(2,835,121)	399	35,232	875,457	14,734,132	0	40,885	(11,457,291)	2,415	213,256	4,906	3,538,303
Total May 2009 thru July 2009							2,805,744								11,144,190
August	3,661,260	0	(131)	(2,890,298)	358	40,857	812,046	13,261,843	0	(1,292)	(10,543,807)	1,905	217,376	4,247	2,940,271
September	3,620,531	0	(55)	(2,767,725)	361	44,747	897,859	12,336,177	0	(540)	(9,545,884)	1,768	219,095	3,081	3,013,697
October	4,042,331	0	(137)	(2,148,607)	1,040	49,082	1,943,709	18,748,639	0	(1,285)	(10,035,069)	5,057	238,656	5,050	8,961,048
Total August 2009 thru October 2009							3,653,614								14,915,016
November	2,167,654	0	(150)	(99,459)	659,461	54,204	2,781,710	12,355,375	0	(151)	(579,438)	3,210,982	263,897	2,143	15,252,807
December	3,994,643	228,847	(25)	(158,663)	2,257,089	46,871	6,368,762	23,583,956	1,036,791	(243)	(947,996)	11,018,657	228,815	2,326	34,922,305
January	4,877,608	0	(3,522)	(17,272)	2,982,982	41,185	7,880,981	34,079,518	0	(30,903)	(121,712)	14,572,165	201,193	2,351	48,702,612
Total November 2009 thru January 2010							17,031,453								98,877,723
February	3,878,520	28,293	(4,362)	(33,240)	2,927,676	36,077	6,832,964	25,271,789	151,670	(33,146)	(218,576)	14,321,020	176,474	2,441	39,671,672
March	2,032,205	0	(2,558)	(52,925)	1,579,079	31,107	3,586,908	13,343,493	0	11,572	(353,396)	7,750,909	152,689	3,279	20,908,546
April	374,174	0	(915)	0	962,557	27,510	1,363,326	1,799,288	0	(4,492)	0	4,724,615	135,030	3,000	6,657,442
Total February 2010 thru April 2010							11,783,198								67,237,660

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM FEBRUARY 2010 THROUGH APRIL 2010

DELIVERED BY TEXAS GAS TRANSMISSION, LLC

COMMODITY AND VOLUMETRIC CHARGES:		FEBRUARY 2010			MARCH 2010			APRIL 2010			
		NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	
NATURAL GAS SUPPLIERS:											
1 .	A	4,860	4,742	\$27,425.00	0	0	\$0.00	0	0	\$0.00	
2 .	B	0	0	\$0.00	72,876	71,099	\$322,250.00	0	0	\$0.00	
3 .	C	541,883	528,666	\$2,912,074.46	142,500	139,024	\$695,097.30	855,000	834,146	\$3,342,594.00	
4 .	D	0	0	\$0.00	0	0	(\$125.00)	0	0	\$0.00	
5 .	E	29,280	28,566	\$140,290.00	223,496	218,045	\$950,075.00	0	0	\$0.00	
6 .	F	512,565	500,064	\$2,757,935.90	0	0	\$0.00	0	0	\$0.00	
7 .	G	87,449	85,316	\$435,585.56	179,697	175,314	\$798,236.97	0	0	\$0.00	
8 .	H	427,500	417,073	\$2,312,840.54	0	0	\$0.00	0	0	\$0.00	
9 .	I	571,536	557,596	\$2,987,040.00	632,772	617,339	\$2,988,090.00	0	0	\$0.00	
10 .	J	0	0	\$0.00	0	0	\$0.00	379,050	369,805	\$1,460,550.00	
11 .	K	0	0	\$0.00	136,032	132,714	\$546,850.00	0	0	\$0.00	
12 .	L	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00	
13 .	M	0	0	\$0.00	14,576	14,220	\$63,625.00	0	0	\$0.00	
14 .	N	0	0	\$0.00	4,856	4,738	\$21,575.00	0	0	\$0.00	
15 .	O	0	0	\$0.00	29,152	28,441	\$130,425.00	0	0	\$0.00	
		<u>2,175,073</u>	<u>2,122,023</u>	<u>\$11,573,191.46</u>	<u>1,435,957</u>	<u>1,400,934</u>	<u>\$6,516,099.27</u>	<u>1,234,050</u>	<u>1,203,951</u>	<u>\$4,803,144.00</u>	
NO-NOTICE SERVICE ("NNS") STORAGE:											
1 .	WITHDRAWALS	642,890	627,210	\$3,426,153.68	428,805	418,346	\$1,960,367.82	0	0	\$0.00	
2 .	INJECTIONS	(12)	(12)	(\$63.95)	(44,378)	(43,296)	(\$202,882.90)	(913,451)	(891,172)	(\$3,555,699.36)	
3 .	ADJUSTMENTS	0	11,249	\$0.00	0	7,453	\$0.00	57	6,383	\$260.59	
4 .	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	(\$1,486,356.14)	
5 .	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00	
	NET NNS STORAGE	<u>642,878</u>	<u>638,447</u>	<u>\$3,426,089.73</u>	<u>384,427</u>	<u>382,503</u>	<u>\$1,757,484.92</u>	<u>(913,394)</u>	<u>(884,789)</u>	<u>(\$5,041,794.91)</u>	
NATURAL GAS TRANSPORTERS:											
1 .	TEXAS GAS TRANSMISSION, LLC			\$167,477.12			\$102,892.03			\$19,960.42	
2 .	ADJUSTMENTS	0	36,535	\$583.11	0	25,077	(\$0.26)	0	23,715	\$3.31	
3 .	ADJUSTMENTS	0	0	(\$39,916.07)	0	0	\$0.00	0	0	\$0.00	
	TOTAL	<u>2,817,951</u>	<u>2,797,005</u>	<u>\$128,144.16</u>	<u>1,820,384</u>	<u>1,808,514</u>	<u>\$102,891.77</u>	<u>320,656</u>	<u>342,877</u>	<u>\$19,963.73</u>	
TOTAL COMMODITY AND VOLUMETRIC CHARGES				\$15,127,425.35				\$8,376,475.96	(\$218,687.18)		
DEMAND AND FIXED CHARGES:											
1 .	TEXAS GAS TRANSMISSION, LLC			\$2,239,246.80			\$2,479,166.10			\$1,383,088.80	
2 .	ADJUSTMENTS			\$0.00			\$0.00			\$0.00	
3 .	SUPPLY RESERVATION CHARGES			\$741,498.06			\$248,540.60			\$246,296.40	
4 .	ADJUSTMENTS			(\$264.00)			\$0.00			\$0.00	
5 .	CAPACITY RELEASE CREDITS			\$0.00			\$0.00			(\$24,750.00)	
TOTAL DEMAND AND FIXED CHARGES				\$2,980,480.86				\$2,727,706.70	\$1,604,635.20		
TOTAL PURCHASED GAS COSTS – TEXAS GAS TRANSMISSION, LLC				<u>\$18,107,906.21</u>				<u>\$11,104,182.66</u>	<u>\$1,385,948.02</u>		

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM FEBRUARY 2010 THROUGH APRIL 2010

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY

COMMODITY AND VOLUMETRIC CHARGES:

		FEBRUARY 2010			MARCH 2010			APRIL 2010		
		NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
NATURAL GAS SUPPLIERS:										
1 .	P	10,529	10,222	\$59,455.00	0	0	\$0.00	0	0	\$0.00
2 .	Q	14,226	13,812	\$72,300.00	0	0	\$0.00	0	0	\$0.00
3 .	R	56,904	55,246	\$286,237.50	0	0	\$0.00	0	0	\$0.00
4 .	S	16,123	15,653	\$82,110.00	0	0	\$0.00	0	0	\$0.00
5 .	T	612,000	594,175	\$3,349,044.72	127,500	123,786	\$631,844.50	0	0	\$0.00
6 .	U	43,627	42,356	\$219,250.00	0	0	\$0.00	0	0	\$0.00
7 .	V	319,000	309,709	\$1,745,698.02	58,000	56,311	\$287,428.50	0	0	\$0.00
		<u>1,072,409</u>	<u>1,041,173</u>	<u>\$5,814,095.24</u>	<u>185,500</u>	<u>180,097</u>	<u>\$919,273.00</u>	<u>0</u>	<u>0</u>	<u>\$0.00</u>
NATURAL GAS TRANSPORTERS:										
1 .	TENNESSEE GAS PIPELINE COMPANY			\$18,767.16			\$3,246.25			\$0.00
2 .	ADJUSTMENTS	(135)	9,018	(\$837.46)	(55)	8,786	(\$310.69)	449	1,777	\$2,086.21
3 .	ADJUSTMENTS	0	0	\$0.02	0	0	\$0.00	0	0	\$0.01
4 .	ADJUSTMENTS	0	0	(\$1,690.44)	0	0	\$0.00	0	0	\$0.00
	TOTAL	<u>1,072,274</u>	<u>1,050,191</u>	<u>\$16,239.28</u>	<u>185,445</u>	<u>188,883</u>	<u>\$2,935.56</u>	<u>449</u>	<u>1,777</u>	<u>\$2,086.22</u>
	TOTAL COMMODITY AND VOLUMETRIC CHARGES			<u>\$5,830,334.52</u>			<u>\$922,208.56</u>			<u>\$2,086.22</u>
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			\$808,643.46			\$863,302.54			\$0.00
4 .	CAPACITY RELEASE CREDITS			\$0.00			\$0.00			\$0.00
	TOTAL DEMAND AND FIXED CHARGES			<u>\$1,138,307.46</u>			<u>\$1,192,966.54</u>			<u>\$329,664.00</u>
	TOTAL PURCHASED GAS COSTS – TENNESSEE GAS PIPELINE COMPANY			<u>\$6,968,641.98</u>			<u>\$2,115,175.10</u>			<u>\$331,750.22</u>
<u>OTHER PURCHASES</u>										
1 .	CASH-OUT OF CUSTOMER OVER-DELIVERIES		31,324	\$189,151.09		34,808	\$124,135.59		29,520	\$81,590.15
	TOTAL		<u>31,324</u>	<u>\$189,151.09</u>		<u>34,808</u>	<u>\$124,135.59</u>		<u>29,520</u>	<u>\$81,590.15</u>
	TOTAL PURCHASED GAS COSTS – ALL PIPELINES	<u>3,890,225</u>	<u>3,878,520</u>	<u>\$25,265,699.28</u>	<u>2,005,829</u>	<u>2,032,205</u>	<u>\$13,343,493.35</u>	<u>321,105</u>	<u>374,174</u>	<u>\$1,799,288.39</u>

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2010-00XXX

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 August 1, 2010 through October 31, 2010, set forth on Page 1 of Exhibit C-1, is \$845,195. The GCBA factor required to collect this under-recovery is a charge of 2.579¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after August 1, 2010 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2010-00140, which, with service rendered through July 31, 2010, 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 November 1, 2010.

Each month a reconciliation of GSC revenues versus GSC expenses is prepared. During the April 2009 reconciliation process, a small variance was identified. The error appeared to be the result of the new CCS system which was implemented on April 1, 2009. The specific cause of the discrepancy was unknown for a period of months.

It was later determined that the discrepancy resulted from a difference in how billed gas volumes were reported before and after the CCS implementation. Prior to the launch of CCS, a report containing the current month's Mcfs of gas billed to customers was manually prepared in an Excel spreadsheet. One benefit of the CCS system was a system report containing the current month's Mcfs of gas billed to customers, which eliminated the manual process. However, the CCS report categorized volumes differently than the manual spreadsheet, and this resulted in the incorrect volumes related to firm transport and special contracts being utilized for the Gas Supply Clause over/under-recovery calculations.

The error affected the months of April through November 2009, which were included in the June, September and December 2009 Gas Supply Clause filings. The Company's accounting records were corrected for subsequent periods. As activity for the effected period had been previously reported and approved by the Commission, the correction will be included as an adjustment to the Gas Cost Balance Adjustment "GCBA" mechanism, Exhibit C-1, as a charge in the filing dated June 30, 2010, to be effective for the three months beginning August 1, 2010.

Louisville Gas and Electric Company
GSC Sales Volume Corrections

	Gas Sales Volumes (Mcf)			GSCA 2007-00428		GSCA 2007-00559		GSCA 2008-00117		GSCA 2008-00246		GSCA 2008-00430		GSCA 2008-00564		GSCA 2009-00140		GCBA 2008-00564			
	Recorded	Corrected	Difference	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance		
	Apr-09	2,732,278.0	2,803,363.7	71,085.7	\$ 0.2293	\$ 16,299.95	\$ 0.5053	\$ 35,919.60	\$ 0.3024	\$ 21,496.31	\$ (0.6716)	\$ (47,741.16)							\$ 0.1257	\$ 8,935.47	
May-09 Old	836,448.0	807,596.2	(28,851.8)	0.2293	(6,615.72)	0.5053	(14,578.81)	0.3024	(8,724.78)	(0.6716)	19,376.87							0.1257	(3,626.67)		
May-09 New	528,959.0	568,265.4	39,306.4			0.5053	19,861.52	0.3024	11,886.26	(0.6716)	(26,398.18)	\$ (0.3783)	\$ (14,869.61)								
Jun-09	970,692.0	924,433.9	(46,258.1)			0.5053	(23,374.22)	0.3024	(13,988.45)	(0.6716)	31,066.94	(0.3783)	17,499.44								
Jul-09	742,923.1	742,561.6	(361.5)			0.5053	(182.67)	0.3024	(109.32)	(0.6716)	242.78	(0.3783)	136.76								
Aug-09 Old	363,581.5	363,910.4	328.9			0.5053	166.19	0.3024	99.46	(0.6716)	(220.89)	(0.3783)	(124.42)								
Aug-09 New	384,062.2	383,733.3	(328.9)					0.3024	(99.46)	(0.6716)	220.89	(0.3783)	124.42	\$ (0.2420)	\$ 79.59						
Sep-09	721,538.6	720,150.1	(1,388.5)					0.3024	(419.88)	(0.6716)	932.52	(0.3783)	525.27	(0.2420)	336.02						
Oct-09	1,081,545.6	1,081,279.4	(266.2)					0.3024	(80.50)	(0.6716)	178.78	(0.3783)	100.70	(0.2420)	64.42						
Nov-09 Old	1,109,292.4	1,125,084.6	15,792.2					0.3024	4,775.56	(0.6716)	(10,606.04)	(0.3783)	(5,974.19)	(0.2420)	(3,821.71)						
Nov-09 New	847,608.2	826,288.1	(21,320.1)							(0.6716)	14,318.58	(0.3783)	8,065.39	(0.2420)	5,159.46	\$ (0.1521)	\$ 3,242.79				
Variance by Case					<u>\$ 9,684.23</u>		<u>\$ 17,811.61</u>		<u>\$ 14,835.20</u>		<u>\$ (18,628.91)</u>		<u>\$ 5,483.76</u>		<u>\$ 1,817.78</u>				<u>\$ 3,242.79</u>	<u>\$ 5,308.80</u>	
Effect on Gas Supply Cost Expense				Expense:	Understated	Expense:	Understated	Expense:	Understated	Expense:	Overstated	Expense:	Understated	Expense:	Understated	Expense:	Understated	Expense:	Understated	Expense:	Understated

Louisville Gas and Electric Company
GSC Sales Volume Corrections

	Gas Sales Volumes (Mcf)			GCBA 2009-00140		GCBA 2009-00248		GCBA 2009-00395		PBRR 2009-00xxx		Gas Supply Cost 2008-00564 Over/Under Recovery Feb-09 - Apr-09 Estimate		Gas Supply Cost 2009-00140 Over/Under Recovery May-09 - Jul-09 Estimate		Gas Supply Cost 2009-00248 Over/Under Recovery Aug-09 - Oct-09 Estimate		Totals
	Recorded	Corrected	Difference	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	Rate	Variance	
Apr-09	2,732,278.0	2,803,363.7	71,085.7							\$ 0.0883	\$ 6,276.87	\$ 9.0631	\$ 644,256.81					\$ 685,443.85
May-09 Old	836,448.0	807,596.2	(28,851.8)							0.0883	(2,547.61)	9.0631	(261,486.75)					(278,203.47)
May-09 New	528,959.0	568,265.4	39,306.4	\$ 0.0939	\$ 3,690.87					0.0883	3,470.76			\$ 6.0513	\$ 237,854.82			235,496.44
Jun-09	970,692.0	924,433.9	(46,258.1)	0.0939	(4,343.64)					0.0883	(4,084.59)			6.0513	(279,921.64)			(277,146.16)
Jul-09	742,923.1	742,561.6	(361.5)	0.0939	(33.94)					0.0883	(31.92)			6.0513	(2,187.54)			(2,165.85)
Aug-09 Old	363,581.5	363,910.4	328.9	0.0939	30.88					0.0883	29.04			6.0513	1,990.27			1,970.53
Aug-09 New	384,062.2	383,733.3	(328.9)			\$ (0.0256)	\$ 8.42			0.0883	(29.04)					\$ 5.6182	\$ (1,847.83)	(1,543.01)
Sep-09	721,538.6	720,150.1	(1,388.5)			(0.0256)	35.55			0.0883	(122.60)					5.6182	(7,800.87)	(6,513.99)
Oct-09	1,081,545.6	1,081,279.4	(266.2)			(0.0256)	6.81			0.0883	(23.51)					5.6182	(1,495.56)	(1,248.86)
Nov-09 Old	1,109,292.4	1,125,084.6	15,792.2			(0.0256)	(404.28)			0.0883	1,394.45					5.6182	88,723.74	74,087.53
Nov-09 New	847,608.2	826,288.1	(21,320.1)					\$ 0.0058	\$ (123.66)	0.0883	(1,882.56)							28,780.00
Variance by Case					\$ (655.83)		\$ (353.50)		\$ (123.66)		\$ 2,449.29		\$ 382,770.06		\$ (42,264.09)		\$ 77,579.48	\$ 458,957.01
Effect on Gas Supply Cost Expense				Expense: Overstated		Expense: Overstated		Expense: Overstated		Expense: Understated		Expense: Understated		Expense: Overstated		Expense: Understated		Understated

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, 2005 (Case No. 2005-00274)	(708,364)	(432,909) ⁴	(184,848)	11,948,228	1.46	174,444	(10,404)	(1,151,677)	3,672,564	31.36	3.136	
November 1, 2005 (Case No. 2005-00401)	197,051		(15,780)	3,040,598	0.51	15,507	(273)	196,778	17,202,685	(1.14)	(0.114)	
February 1, 2006 (Case No. 2006-00005)	(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 (Case No. 2006-00138)	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 (Case No. 2006-00335)	(1,339,631)	(270,087) ⁴	(501,914)	7,486,966	4.05	303,222	(198,692)	(1,808,410)	3,756,552	48.14	4.814	
November 1, 2006 (Case No. 2006-00431)	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 (Case No. 2007-00001)	340,264		(1,711,456) ⁵	3,767,428	48.14	1,813,640	102,184	442,448	11,775,388	(3.76)	(0.376)	
May 1, 2007 (Case No. 2007-00141)	(3,153,475)		205,356	13,581,993	(1.29)	(175,208)	30,149	(3,123,326)	2,901,342	107.65	10.765	
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 ⁶	(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) ⁷	(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. 2010-00xxx)	(349,419)	(501,719) ⁸	208,798	11,145,941	(1.82)	(202,856)	5,942	(845,195)	3,277,139 ³	25.79	2.579	

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 August 1, 2010 through October 31, 2010.

4 Reconciliation of the PBRCC from previous twelve months.

5 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).

6 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.

7 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.

8 Of the total of \$(501,719), \$(42,762) represents the reconciliation of the PBRCC from previous twelve months, and \$(458,957) represents the total under-recovery related to misstated sales as corrected in this filing.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2010-00XXX**

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 April 5, 2010, is \$66,652.38. 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 August 1, 2010	0.021 cents/Ccf
2nd Previous Quarter Refund Factor:	
Effective February 1, 2010	0.064 cents/Ccf
Total Refund Factor (RF)	0.085 cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2010-00XXX

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) (Col 6/Col 7)</u>	<u>Refund Factor per Ccf (cents/Ccf)</u>
Feb-2010	Jan-2011	(Case No. 2009-00457)	\$ 203,603.08	\$ -	\$ 203,603.08	31,887,051	\$ 0.0064	0.064 ¢
Aug-2010	Jul-2011	(Case No. 2010-00xxx)	\$ 66,652.38	\$ -	\$ 66,652.38	31,751,262	\$ 0.0021	0.021 ¢

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2010-00xxx
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. 2008-00564, became applicable to gas service rendered on and after February 1, 2009 and will remain in effect until January 31, 2010, 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, 2010, and will remain in effect until January 31, 2011, is \$0.00549 and \$0.00126 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00423/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00126/Ccf</u>	<u>\$0.00126/Ccf</u>
Total PBRRC	\$0.00549/Ccf	\$0.00126/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 2010-00XXX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2010

	CSPBR Related to <u>Commodity</u>	CSPBR Related to <u>Demand</u>
Shareholder Portion of PBR	\$1,344,573	\$400,719
Expected Mcf Sales for the 12 month period beginning February 1, 2010	31,751,457	31,887,051
PBRRC factor per Mcf	\$0.0423	\$0.0126
PBRRC factor per Ccf	\$0.00423	\$0.00126

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2010-00XXX
Shareholder Portion of PBR Savings
PBR Year 12

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)	\$1,344,573	\$400,719	\$1,745,292

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
August 1, 2010 through October 31, 2010**

	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 ALL CCF	\$9 50	\$0 21349	\$0 64295	0 01394	\$0 87038
RATE CGS - COMMERCIAL (meter capacity< 5000 CF/HR) CUSTOMER CHARGE APRIL THRU OCTOBER	\$23 00				
FIRST 1000 CCF/MONTH		\$0 17052	\$0 64295	0 00093	\$0 81440
OVER 1000 CCF/MONTH		\$0 12052	\$0 64295	0 00093	\$0 76440
NOVEMBER THRU MARCH ALL CCF		\$0 17052	\$0 64295	0 00093	\$0 81440
RATE CGS - COMMERCIAL (meter capacity>= 5000 CF/HR) CUSTOMER CHARGE APRIL THRU OCTOBER	\$160 00				
FIRST 1000 CCF/MONTH		\$0 17052	\$0 64295	0 00093	\$0 81440
OVER 1000 CCF/MONTH		\$0 12052	\$0 64295	0 00093	\$0 76440
NOVEMBER THRU MARCH ALL CCF		\$0 17052	\$0 64295	0 00093	\$0 81440
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR) CUSTOMER CHARGE APRIL THRU OCTOBER	\$23 00				
FIRST 1000 CCF/MONTH		\$0 16524	\$0 64295	0 00000	\$0 80819
OVER 1000 CCF/MONTH		\$0 11524	\$0 64295	0 00000	\$0 75819
NOVEMBER THRU MARCH ALL CCF		\$0 16524	\$0 64295	0 00000	\$0 80819
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR) CUSTOMER CHARGE APRIL THRU OCTOBER	\$160 00				
FIRST 1000 CCF/MONTH		\$0 16524	\$0 64295	0 00000	\$0 80819
OVER 1000 CCF/MONTH		\$0 11524	\$0 64295	0 00000	\$0 75819
NOVEMBER THRU MARCH ALL CCF		\$0 16524	\$0 64295	0 00000	\$0 80819
Rate AAGS	\$275 00	\$0 05252	\$0 64295	0 00093	\$0 69640
	CUSTOMER CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DEMAND CHARGE COMPONENT	TOTAL
RATE DGGS - COMMERCIAL & INDUSTRIAL CUSTOMER CHARGE ALL CCF	\$160 00	\$0 02561	\$0 64295	\$ 0 94000	\$1 60856

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM

August 1, 2010 through October 31, 2010

	RATE PER MCF				
	ADMIN. CHARGE (PER MONTH)	LG&E DIST CHARGE	PIPELINE SUPPLIER'S DEMAND COMPONENT	DSM COST RECOVERY COMPONENT	<u>TOTAL</u>
RATE TS					
RATE CGS - COMMERCIAL	\$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.7052	\$0.9865	0.0930	\$2.7847
OVER 100 MCF/MONTH		\$1.2052	\$0.9865	0.0930	\$2.2847
NOVEMBER THRU MARCH					
ALL MCF		\$1.7052	\$0.9865	0.0930	\$2.7847
RATE IGS - INDUSTRIAL	\$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.6524	\$0.9865	0.0000	\$2.6389
OVER 100 MCF/MONTH		\$1.1524	\$0.9865	0.0000	\$2.1389
NOVEMBER THRU MARCH					
ALL MCF		\$1.6524	\$0.9865	0.0000	\$2.6389
Rate AAGS	\$153.00	\$0.5252	\$0.9865	0.0930	\$1.6047

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

August 1, 2010 through October 31, 2010

Transportation Service:

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

Ancillary Services:

Daily Demand Charge	\$0.1876
Daily Storage Charge	<u>\$0.1833</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3709

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

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.
