

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF LOUISVILLE GAS AND) CASE NO.
ELECTRIC COMPANY) 2016-00225

ORDER

On June 30, 2015, in Case No. 2014-00372,¹ the Commission approved rates for Louisville Gas and Electric Company ("LG&E") and provided for their further adjustment in accordance with LG&E's Gas Supply Clause ("GSC").

On June 30, 2016, LG&E filed its proposed GSC application to be effective August 1, 2016.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. LG&E's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. LG&E's Gas Supply Cost is \$.38917 per 100 cubic feet, or \$3.8917 per Mcf, which is an increase of \$.8222 per Mcf from the previous Gas Supply Cost of \$3.0695 per Mcf.

¹ Case No. 2014-00372, *Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates* (Ky. PSC June 30, 2015).

3. LG&E's notice sets out a current Refund Factor ("RF") of \$.0000 per Mcf. LG&E's total RF is \$.0000 per Mcf, which is no change from its previous total RF of \$.0000 per Mcf.

4. LG&E's notice sets out a current Gas Cost Actual Adjustment ("GCAA") of \$.0665 per Mcf. LG&E's total GCAA is (\$.0362) per Mcf, which is an increase of \$.1245 per Mcf from the previous total GCAA of (\$.1607) per Mcf.

5. LG&E's notice sets out a (\$.0635) per Mcf current Gas Cost Balance Adjustment ("GCBA"), which is a decrease of \$.6381 per Mcf from the previous GCBA of \$.5746 per Mcf.

6. LG&E's notice sets out a Performance-Based Rate Recovery Component ("PBRRC") of \$.0296 per Mcf, which no change from its previous PBRRC.

7. LG&E's Gas Supply Cost Component ("GSCC") is \$.38216 per 100 cubic feet or \$3.8216 per Mcf, which is an increase of \$.3086 per Mcf from the prior GSCC of \$3.5130 per Mcf.

8. The rate as proposed by LG&E and set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for gas supplied by LG&E on and after August 1, 2016.

IT IS THEREFORE ORDERED that:

1. The rate proposed by LG&E and set forth in the Appendix to this Order is approved for gas supplied by LG&E on and after August 1, 2016.

2. Within 20 days of the date of this Order, LG&E shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff

sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED
JUL 21 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00225 DATED **JUL 21 2016**

The following rates and charges are prescribed for the customers in the area served by Louisville Gas and Electric Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Gas Supply Cost Component

The total Gas Supply Cost Component shall be \$.38216 per 100 cubic feet for gas supplied on and after August 1, 2016.

*Derek Rahn
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010