

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF LOUISVILLE GAS AND) CASE NO. 2009-00140
ELECTRIC COMPANY)

ORDER

On June 30, 2004, in Case No. 2003-00433,¹ 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 March 31, 2009, LG&E filed its proposed GSC to be effective May 1, 2009.

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 Expected Gas Cost ("EGC") is \$.60513 per 100 cubic feet, or \$6.0513 per Mcf, which is a decrease of \$3.0118 per Mcf from the previous EGC of \$9.0631 per Mcf.
3. LG&E's notice sets out no current Refund Adjustment ("RA") and no total RA, which is no change from the previous total RA.

¹ Case No. 2003-00433, *An Adjustment of the Gas and Electric Rates, Terms, and Conditions of Louisville Gas and Electric Company* (Ky. PSC June 30, 2004).

4. LG&E's notice sets out a current Actual Adjustment ("AA") of (\$.3783) per Mcf. The total AA of (\$.2422) per Mcf is a decrease of \$.6076 per Mcf from the previous total AA of \$.3654 per Mcf.

5. LG&E's notice sets out a \$.0939 per Mcf current Balance Adjustment ("BA"), which is a decrease of \$.0318 per Mcf from the previous BA of \$.1257 per Mcf.

6. LG&E's notice sets out its previously approved Performance-Based Rate Recovery Component ("PBRRC") of \$.0883 per Mcf, which will remain in effect to collect LG&E's portion of PBR savings until January 31, 2010.

7. LG&E's Gas Supply Cost Component ("GSCC") is \$.59913 per 100 cubic feet or \$5.9913 per Mcf, which is a decrease of \$3.6512 per Mcf from the prior GSCC of \$9.6425 per Mcf.

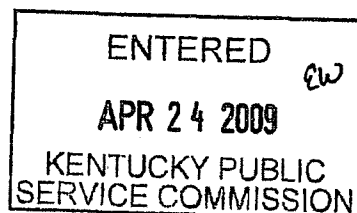
8. The rate in the Appendix to this Order is fair, just, and reasonable, and should be approved for gas supplied by LG&E on and after May 1, 2009.

IT IS THEREFORE ORDERED that:

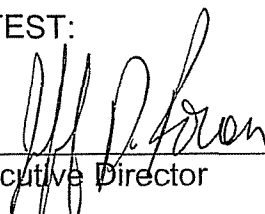
1. The rate in the Appendix, attached hereto and incorporated herein, is approved for gas supplied on and after May 1, 2009.

2. Within 20 days of the date of this Order, LG&E shall file with the Commission its revised tariffs setting out the rate authorized herein.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00140 DATED **APR 24 2009**

The following rates and charges are prescribed for the customers 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 \$.59913 per 100 cubic feet for gas supplied on and after May 1, 2009.

Robert M Conroy
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