



LG&E Energy Corp.
220 West Main Street (40202)
P.O. Box 32030
Louisville, Kentucky 40232

December 29, 2003

RECEIVED

DEC 29 2003

12 29 03

Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Louisville, Kentucky 40602

**RE: AN ADJUSTMENT OF THE GAS AND ELECTRIC RATES, TERMS
AND CONDITIONS OF LOUISVILLE GAS AND ELECTRIC
COMPANY - CASE NO. 2003-00433**

Dear Mr. Dorman:

Attached hereto is a corrected copy of Page Four (4) of Mr. Earl Robinson's Testimony filed today with the Notice and Statement and Filing Requirements of Louisville Gas and Electric Company in the above captioned case. In some copies of Volume 4 of 7 (Testimony) this page was inadvertently printed landscape versus the corrected version which is printed portrait.

Should you have any questions, please contact me at 502-627-4110 or contact Roger Hickman at 502-627-4031.

Sincerely,

John Wolfram
Manager, Regulatory Policy and Strategy

cc: Elizabeth E. Blackford,
Michael L. Kurtz

1 Depreciation Study as of December 31, 2002" respectively, which summarize the results
2 of my service life and salvage analysis of each entity.

3 **Q9. DO YOU HAVE A SUMMARY OF THE DEPRECIATION RATES THAT YOU**
4 **DEVELOPED AND ARE PROPOSING FOR EACH OF THE COMPANY'S**
5 **DEPRECIABLE PROPERTY GROUPS?**

6 A9. Yes, Appendix B-LG&E contains an account level summary of the present and proposed
7 depreciation rates which are also set forth in detail in Section 2 of the depreciation study
8 report(s).

9 **Q10. RELATIVE TO THE COMPANY'S GENERATING STATION INVESTMENTS,**
10 **HAVE YOU DEVELOPED DEPRECIATION RATES APPLICABLE TO EACH**
11 **INDIVIDUAL PLANT SITE?**

12 A10. Yes, Table 1-Plant Site, within Section 2 of the electric depreciation study report,
13 contains depreciation rates for each plant site.

14 **Q11. COULD YOU PLEASE BRIEFLY DESCRIBE THE INFORMATION**
15 **INCLUDED WITH THE DEPRECIATION REPORT(S).**

16 A11. The report(s) are segregated into seven (7) sections. Two (2) key areas of the report are
17 Section 2 and Section 4. Section 2 includes the summary schedules listing the present
18 and proposed depreciation rates for each depreciable property group and other
19 depreciation rate development schedules. Section 4 contains a narrative of factors
20 considered in selecting service life parameters for the Company's property. The various
21 other sections of the report contain detailed information and/or documentation
22 supporting the schedules contained in Sections 2 and 4. A detailed table of contents

Michael S. Beer
Vice President
Rates and Regulatory

LG&E Energy Corp.
220 West Main Street
Louisville, Kentucky 40202
(502) 627-3547
(502) 627-4030 FAX
mike.beer@lgeenergy.com

December 29, 2003

Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Louisville, Kentucky 40602

***RE: AN ADJUSTMENT OF THE GAS AND ELECTRIC RATES, TERMS
AND CONDITIONS OF LOUISVILLE GAS AND ELECTRIC
COMPANY - CASE NO. 2003-00433***

Dear Mr. Dorman:

We deliver herewith for filing an original and ten (10) copies of the Notice and Statement and Filing Requirements of Louisville Gas and Electric Company in the above captioned case.

Sincerely,



Michael S. Beer
Vice President, Rates and Regulatory

cc: Elizabeth E. Blackford,
Michael L. Kurtz

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**AN ADJUSTMENT OF THE GAS)
AND ELECTRIC RATES, TERMS)
AND CONDITIONS OF LOUISVILLE)
GAS AND ELECTRIC COMPANY)**

CASE NO: 2003-00433

DEC 29 2003

VOLUME 1 OF 7

**STATUTORY NOTICE
APPLICATION**

FINANICAL EXHIBIT pursuant to 807 KAR 5:001 SECTION 6

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**RESPONSE TO FILING REQUIREMENTS listed in 807 KAR 5:001
SECTION 10(1)(a)1 through 807 KAR 5:001 SECTION 10(6)(k)**

Filed: December 29, 2003

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Year Filing Requirements
Table of Contents

Volume Number	Description of Contents
	Statutory Notice
	Application
1	Table of Contents
	Financial Exhibit pursuant to 807 KAR 5:001 Section 6
	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(1)(a) through 807 KAR 5:001 Section 10(6)(k)
2	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(6)(l) through 807 KAR 5:001 Section 10(6)(t)
3	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(6)(s) through 807 KAR 5:001 Section 10(7)(e)
4	Testimony
5	Seelye Exhibit - Cost-of-Service Study
6	Robinson Appendix C - Depreciation Study for Electric Division
	Robinson Appendix D - Depreciation Study for Gas Division
7	Robinson Appendix E - Depreciation Study for Common Division

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In Re the Matter of:

**AN ADJUSTMENT OF THE GAS)
AND ELECTRIC RATES, TERMS)
AND CONDITIONS OF LOUISVILLE)
GAS AND ELECTRIC COMPANY)**

CASE NO: 2003-00433

STATUTORY NOTICE

Louisville Gas and Electric Company (“LG&E”), by counsel, informs the Kentucky Public Service Commission (“Commission”) that it is engaged in business as an operating public utility, principally furnishing retail gas and electric service in Jefferson County, Kentucky and portions of other counties in the surrounding area within Kentucky.

Pursuant to KRS 278.180, LG&E hereby gives notice to the Commission that, on this 29th day of December, 2003, it files herewith its Application for adjustment of rates and proposes to adjust its rates in conformity with the tariff sheets (“the revised tariffs”) attached to the Application at Tab 7 of the Filing Requirements and made a part hereof by reference.

LG&E proposes to change its existing rates and tariffs for gas and electric service, now on file with and approved by the Commission, by substituting the revised tariff sheets (ten or more copies of which are filed as incorporated into the Application) for the corresponding tariff sheets in its existing tariff and by amending the rates and charges or terms and conditions set forth in five special contracts for electric service and three special contracts for gas service.

The proposed revisions in the special contracts are summarized at Tab 7 of the Filing Requirements of the Application filed herewith and are made a part hereof by reference.

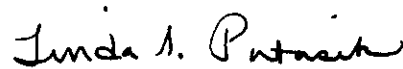
Notice is further given that the stated effective date for the changes in rates is February 1, 2004.

Notice to the public of the proposed rates is being given as prescribed in the Commission's regulation (807 KAR 5:051 and 807 KAR 5:011, Section 8), by publication in accordance with the Commission's regulation (807 KAR 5:011, Section 8(2)(c)) and by exhibiting the same for public inspection at the offices of LG&E, 820 West Broadway Street, Louisville, Kentucky. A Certificate of Completed Notice will be filed with the Commission in the form recommended by Rule 807 KAR 5:011, Section 15(5).

Additional information required by the Commission's regulations is contained in the Application filed herewith and made a part hereof by reference.

Submitted to the Commission this 29th day of December 2003.

Respectfully submitted,



Linda S. Portasik
Senior Corporate Attorney
Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky 40202
Telephone: (502) 627-2557

Kendrick R. Riggs
J. Gregory Cornett
Allyson K. Sturgeon
Ogden Newell & Welch PLLC
1700 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
Telephone: (502) 582-1601

Robert M. Watt, III
Stoll, Keenon & Park, LLP
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801

Counsel for Louisville Gas and
Electric Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies the original and ten copies of this Statutory Notice was hand delivered to Thomas M. Dorman, Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601, and a copy of this Statutory Notice was hand delivered to Elizabeth E. Blackford, Assistant Attorney General, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601 this 29th day of December 2003.

Linda L. Potosin

Counsel for Louisville Gas and
Electric Company

292050.01

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In Re the Matter of:

AN ADJUSTMENT OF THE GAS)
AND ELECTRIC RATES, TERMS)
AND CONDITIONS OF LOUISVILLE)
GAS AND ELECTRIC COMPANY)

CASE NO: 2003-00433

LOUISVILLE GAS AND ELECTRIC COMPANY'S
APPLICATION FOR AUTHORITY TO ADJUST RATES

Applicant, Louisville Gas and Electric Company ("LG&E"), pursuant to KRS Chapter 278 and the applicable sections of 807 KAR Chapter 5, hereby applies to the Kentucky Public Service Commission ("Commission") for authority to adjust its gas and electric base rates. LG&E's Notice of Intent to File Rate Applications, required by 807 KAR 5:011, Section 8(1), was filed with the Commission on November 24, 2003.

In support of its Application, LG&E states as follows:

1. The full name and mailing address of LG&E are: Louisville Gas and Electric Company, Post Office Box 32010, 220 West Main Street, Louisville, Kentucky 40232. LG&E is a Kentucky corporation authorized to do business in the Commonwealth of Kentucky.

2. LG&E is a utility engaged in the electric and gas business. LG&E generates and purchases electricity, and distributes and sells electricity at retail in Jefferson County and portions of Bullitt, Hardin, Henry, Meade, Oldham, Shelby, Spencer and Trimble Counties. LG&E also purchases, stores and transports natural gas and distributes and sells natural gas at retail in Jefferson County and portions of Barren, Bullitt, Green, Hardin, Hart, Henry, Larue, Marion, Meade, Metcalfe, Nelson, Oldham, Shelby, Trimble and Washington Counties. A

certified copy of LG&E's Articles of Incorporation, as amended, are on file with the Commission in Case No. 2001-104, *In the Matter of: Joint Application of E.ON AG, Powergen plc, LG&E Energy Corp., Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Acquisition.*

3. This Application constitutes notice to the Commission pursuant to KRS 278.180(1) of the changes proposed to be made to LG&E's electric and gas base rates. LG&E intends to file its Certificate of Notice to the Public of Change in the Tariffs Which Results in Increased Rates attached hereto at Tab 9 of the Filing Requirements.

4. LG&E requests Commission approval of a change in existing rates and tariffs for electric service. LG&E proposes to change its existing electric rates and tariffs to those rates and charges set forth in the proposed tariff attached hereto at Tab 7 of the Filing Requirements. A comparison of the present and proposed rates and charges is attached hereto at Tab 8 of the Filing Requirements. The proposed revisions in the special contracts are summarized at Tab 8 of the Filing Requirements. The proposed adjustments in electric rates will result in an increase in operating revenues of approximately \$63.8 million per year based on adjusted consumptions during the 12 months ended September 30, 2003.

5. LG&E also requests Commission approval of a change in existing rates and tariffs for gas service. LG&E proposes to change its existing gas rates and tariffs to those rates and charges set forth in the proposed tariff attached hereto at Tab 7 of the Filing Requirements. A comparison of the present and proposed rates and charges is attached hereto at Tab 8 of the Filing Requirements. The proposed revisions in the special contracts are summarized at Tab 8 of the Filing Requirements. The proposed adjustments in gas rates will result in an increase in

operating revenues of approximately \$19.1 million per year based on adjusted consumptions during the twelve months ended September 30, 2003.

6. LG&E supports its request for a change in its existing rates and tariffs for electric and gas service with the following exhibits complying with the requirements of 807 KAR 5:01, Section 10:

Tab	Filing Requirement	Description
1	807 KAR 5:001 Section 10(1)(a)1	Reason for Rate Adjustment
2	807 KAR 5:001 Section 10(1)(a)2	Most Recent Annual Reports
3	807 KAR 5:001 Section 10(1)(a)3	Articles of Incorporation
4	807 KAR 5:001 Section 10(1)(a)4	Limited Partnership Agreement
5	807 KAR 5:001 Section 10(1)(a)5	Certificate of Good Standing
6	807 KAR 5:001 Section 10(1)(a)6	Certificate of Assumed Name
7	807 KAR 5:001 Section 10(1)(a)7	Proposed Tariff
8	807 KAR 5:001 Section 10(1)(a)8	Proposed Tariff Changes
9	807 KAR 5:001 Section 10(1)(a)9	Statement about Customer Notice
10	807 KAR 5:001 Section 10(2)	Notice of Intent
11	807 KAR 5:001 Section 10(3)	Customer Notice Information
12	807 KAR 5:001 Section 10(4)(a)	Sewer Utility Notices
13	807 KAR 5:001 Section 10(4)(b)	Typewritten Notices by Mail
14	807 KAR 5:001 Section 10(4)(c)	Other Customer Notices
15	807 KAR 5:001 Section 10(4)(d)	Publisher's Affidavit
16	807 KAR 5:001 Section 10(4)(e)	Verification - Mailed Notices
17	807 KAR 5:001 Section 10(4)(f)	Sample Notices Posted
18	807 KAR 5:001 Section 10(4)(g)	Comply w/ 807 KAR 5:051, Section 2
19	807 KAR 5:001 Section 10(5)	Hearing Notice Published
20	807 KAR 5:001 Section 10(6)(a)	Describe and Explain Adjustments
21	807 KAR 5:001 Section 10(6)(b)	Testimony (Revenues > \$1.0 mm)
22	807 KAR 5:001 Section 10(6)(c)	Testimony (Revenues \$1.0 mm)
23	807 KAR 5:001 Section 10(6)(d)	New Rates Effect - Overall Revenues
24	807 KAR 5:001 Section 10(6)(e)	Average Customer Class Bill Impact
25	807 KAR 5:001 Section 10(6)(f)	Local Telephone Exchange Companies
26	807 KAR 5:001 Section 10(6)(g)	Analysis of Customer Bills
27	807 KAR 5:001 Section 10(6)(h)	Revenue Requirements Determination
28	807 KAR 5:001 Section 10(6)(i)	Reconcile Rate Base & Capitalization

29	807 KAR 5:001 Section 10(6)(j)	Current Chart of Accounts
30	807 KAR 5:001 Section 10(6)(k)	Annual Auditor's Opinion(s)
31	807 KAR 5:001 Section 10(6)(l)	FERC Audit Reports
32	807 KAR 5:001 Section 10(6)(m)	FERC Form 1s
33	807 KAR 5:001 Section 10(6)(n)	Depreciation Study
34	807 KAR 5:001 Section 10(6)(o)	Computer Software, Hardware, etc.
35	807 KAR 5:001 Section 10(6)(p)	Stock or Bond Prospectuses
36	807 KAR 5:001 Section 10(6)(q)	Annual Reports to Shareholders
37	807 KAR 5:001 Section 10(6)(r)	Monthly Management Reports
38	807 KAR 5:001 Section 10(6)(s)	SEC Reports (10Ks, 10Qs, and 8Ks)
39	807 KAR 5:001 Section 10(6)(t)	Affiliate, et. al., Allocations/Charges
40	807 KAR 5:001 Section 10(6)(u)	Cost-of-Service Study
41	807 KAR 5:001 Section 10(6)(v)	Local Telephone Exchange Companies
42	807 KAR 5:001 Section 10(7)(a)	Financial Statements w/ Adjustments
43	807 KAR 5:001 Section 10(7)(b)	Capital Construction Budget
44	807 KAR 5:001 Section 10(7)(c)	Pro Forma Adjustments - Plant
45	807 KAR 5:001 Section 10(7)(d)	Pro Forma Adjustments - Operating
46	807 KAR 5:001 Section 10(7)(e)	Period-End Customer Additions, etc.

7. As required by KRS 278.030, the rates proposed for gas and electric service are fair, just and reasonable.

8. The Application for a general adjustment of gas and electric base rates is supported by a twelve month historical test year in accordance with 807 KAR 5:001, Section 10(1)(a) with the test period ending September 30, 2003. LG&E's financial exhibit, prescribed in 807 KAR 5:001, Section 6, is attached hereto and marked as "Financial Exhibit".

9. Copies of all orders, pleadings and other communications related to this proceeding should be directed to:

Michael S. Beer
Vice President, Rates and Regulatory
LG&E Energy Corp.
220 West Main Street
Louisville, Kentucky 40202

Linda S. Portasik
Senior Corporate Attorney
LG&E Energy Corp.
220 West Main Street
Louisville, Kentucky 40202

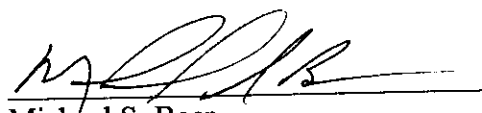
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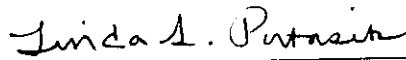
WHEREFORE, Louisville Gas and Electric Company respectfully requests the Kentucky Public Service Commission to enter an order:

1. Approving the revised tariff sheets for gas and electric service at Tab 7 of the Filing Requirements; and
2. Granting all other relief to which Louisville Gas and Electric Company may be entitled.

Respectfully submitted,



Michael S. Beer
Vice President, Rates and Regulatory
LG&E Energy Corp.
220 West Main Street
Louisville, Kentucky 40202



Linda S. Portasik
Senior Corporate Attorney
LG&E Energy Corp.
220 West Main Street
Louisville, Kentucky 40202

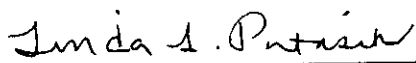
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Counsel for Louisville Gas and
Electric Company

292018.01

LOUISVILLE GAS AND ELECTRIC COMPANY

FINANCIAL EXHIBIT
(807 KAR 5:001 SEC. 6)

September 30, 2003

(1) Amount and kinds of stock authorized.

75,000,000 shares of Common Stock, without par value.
1,720,000 shares of Cumulative Preferred Stock, \$25 par value.
6,750,000 shares of Cumulative Preferred Stock, without par value.

(2) Amount and kinds of stock issued and outstanding.

21,294,223 shares of Common Stock, without par value, recorded at
\$425,170,424.
860,287 shares of Cumulative Preferred Stock, \$25 par value, 5%
series, \$21,507,175.
500,000 shares of Cumulative Preferred Stock, without par value
(stated value \$100 per share), Auction Rate, \$50,000,000.
237,500 shares of Cumulative Preferred Stock, without par value
(stated value \$100 per share), \$5.875 series, \$23,750,000.

(3) Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.

The holders of the 5% Cumulative Preferred Stock, \$25 par value, are entitled to receive cumulative dividends at an annual rate of 5% of the par value thereof and no more. The holders of the Auction Rate Cumulative Preferred Stock are entitled to receive cumulative dividends at an annual rate of that which results from the auction and no more. The holders of the \$5.875 Cumulative Preferred Stock are entitled to receive cumulative dividends at an annual rate of \$5.875 per share and no more. Unless dividends on all outstanding shares of each series of the preferred stock, at the respective annual dividend rates and from the dates for accumulation thereof, have been paid for all quarterly periods, no dividends may be paid or declared and no other distribution may be made on the Common Stock, without par value.

In the event of a voluntary liquidation, the holders of the 5% Cumulative Preferred Stock are entitled to \$27.25 per share, together with any accumulated but unpaid dividends thereon; provided that, if such voluntary liquidation is approved by the affirmative vote

or the written consent of the holders of a majority of a series of preferred stock then outstanding, the amount so payable is \$25 per share, together with any accumulated but unpaid dividends thereon. In the event of any involuntary liquidation, the holders of the 5% Cumulative Preferred Stock are entitled to \$25 per share, together with any accumulated but unpaid dividends thereon. In the event of a voluntary or involuntary liquidation, the holders of the Auction Rate Cumulative Preferred Stock and the \$5.875 Cumulative Preferred Stock are entitled to \$100 per share, together with any accumulated but unpaid dividends thereon. After any such liquidation, whether voluntary or involuntary, the holders of the Common Stock, without par value, are entitled to the remaining assets.

- (4) Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.

The Trust Indenture from Louisville Gas and Electric Company to The Bank of New York, Trustee, dated November 1, 1949, and amended February 15, 1979, secures the First Mortgage Bonds of Louisville Gas and Electric Company. In the opinion of counsel for the Company, the Indenture, as amended and supplemented, constitutes a first mortgage lien, subject only to permissible encumbrances, upon all the property of the Company (with certain specified exceptions) for the equal pro-rata security of all bonds issued or to be issued thereunder, subject to the provisions relating to any sinking fund or similar fund for the benefit of bonds of any particular series. The Indenture contains provisions for subjecting to the lien thereof property acquired by the Company after the date of the Indenture.

- (5) Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together which amount of interest paid thereon during the last fiscal year.

Louisville Gas and Electric Company has issued the following First Mortgage Bonds, which are secured by the Trust Indenture, as amended and supplemented, to The Bank of New York, Trustee:

Series	Date of Issue	Date of Maturity	Rate of Interest	Principal Amount		Interest
				Authorized	Outstanding at Sept 30, 2003	Expense Year Ended Sept 30, 2003
	Aug. 31, 1993	Aug. 15, 2003	6.00%	42,600,000	0	2,236,500

The following are Pollution Control Series (a)

	Nov. 01, 1990	Nov. 01, 2020	6.55%	50,000,000	0	330,140
S	Sept. 17, 1992	Sept. 01, 2017	Variable	31,000,000	31,000,000	385,899
T	Sept. 17, 1992	Sept. 01, 2017	Variable	60,000,000	60,000,000	812,532
U	Aug. 15, 1993	Aug. 15, 2013	Variable	35,200,000	35,200,000	476,316
V	Aug. 15, 1993	Aug. 15, 2019	5 5/8%	102,000,000	102,000,000	5,737,500
W	Oct. 15, 1993	Oct. 15, 2020	5.45%	26,000,000	26,000,000	1,417,000
X	Apr. 15, 1995	Apr. 15, 2023	5.90%	40,000,000	40,000,000	2,360,000
Y	May 01, 2000	May 01, 2027	Variable	25,000,000	25,000,000	278,842
Z	Aug. 01, 2000	Aug. 01, 2030	Variable	83,335,000	83,335,000	1,019,409
AA	Sep. 11, 2001	Sep. 1, 2027	Variable	10,104,000	10,104,000	124,032
BB	Mar. 6, 2002	Sep. 1, 2026	Variable	22,500,000	22,500,000	266,330
CC	Mar. 6, 2002	Sep. 1, 2026	Variable	27,500,000	27,500,000	326,197
DD	Mar. 22, 2002	Nov. 1, 2027	Variable	35,000,000	35,000,000	420,120
EE	Mar. 22, 2002	Nov. 1, 2027	Variable	35,000,000	35,000,000	417,908
FF	Oct. 23, 2002	Oct. 1, 2032	Variable	41,665,000	41,665,000	443,435

Interest rate swap

	-	4,337,180
	<u>\$574,304,000</u>	<u>\$21,389,340</u>

(a) Pollution Control Revenue Bonds (Louisville Gas and Electric Company Projects) issued by Jefferson and Trimble Counties, Kentucky, are secured by the assignment of loan payments by the Company to the County pursuant to loan agreements, and further secured by the delivery from time to time of an equal amount of the Company's First Mortgage Bonds, Pollution Control Series. First Mortgage Bonds so delivered are summarized in the table above. No principal or interest on these First Mortgage Bonds is payable unless default on the loan agreements occurs. The interest rate stated in the table applies to the Pollution Control Revenue Bonds, not the First Mortgage Bonds. At September 30, 2003, First Mortgage Bonds had been delivered to the trustees as security for all outstanding Pollution Control Revenue Bonds.

- (6) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.

Payee	Date of Issue	Date of Maturity	Amount	Rate of Interest	Interest Expense Year Ended September 30, 2003
<u>Short Term</u>					
LG&E Energy Corp	12/00	Various	\$ 75,132,051	Various	\$ 2,192,720
<u>Long Term</u>					
Fidelia	04/03	04/13	\$100,000,000	4.55%	
Fidelia	04/03	08/13	\$100,000,000	5.31%	\$ 2,559,583

- (7) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.

Dividends on \$5.875 Mandatorily Redeemable Cumulative Preferred Stock, without par value

For the first two quarters the Company declared and paid dividends of \$1.4687 per share on the 250,000 shares for a total of \$367,187. For the third quarter, the Company declared and paid dividends of \$1.4687 per share on the 237,500 shares for a quarterly total of \$348,828. The total for three quarters, the dividend amounted to \$5.875 per share, or \$1,101,563. As explained in the following paragraph, the final dividend payment of \$348,828 is recorded as interest expense.

In May 2003, the Financial Accounting Standards Board issued SFAS No. 150, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity*. SFAS No. 150 is effective for LG&E in the third quarter of 2003. LG&E's \$5.875 series mandatorily redeemable preferred stock outstanding has a sinking fund requirement sufficient to retire a minimum of 12,500 shares on July 15 of each year commencing with July 15, 2003, and a minimum of 187,500 shares on July 15, 2008 at \$100 per share. LG&E redeemed 12,500 shares in accordance with these provisions on July 15, 2003, leaving 237,500 shares currently outstanding. Beginning with the three months ended September 30, 2003, LG&E reclassified, per provisions of SFAS No. 150, its \$5.875 series preferred stock as long-term debt. Dividends accrued beginning July 1, 2003 are charged as interest expense.

- (8) Rate and amount of dividends paid during the five previous fiscal years through September 30, 2003, and the amount of capital stock on which dividends were paid each year.

Dividends on Common Stock, without par value

1998	83,000,000
1999	89,000,000
2000	73,000,000
2001	23,000,000
2002	69,000,000
2003	-

Number of shares outstanding was 21,294,223 for each period.

Dividends on 5% Cumulative Preferred Stock, \$25 par value

For each of the quarters shown for the Common Stock above the Company declared and paid dividends of \$.3125 per share on the 860,287 shares of 5% Cumulative Preferred

Stock, \$25 par value, outstanding for a total of \$268,842. On an annual basis the dividend amounted to \$1.25 per share, or \$1,075,366.

Dividends on Auction Rate Cumulative Preferred Stock, without par value

	<u>Effective Rate</u>	<u>Amount</u>
1998	4.01575	2,007,875
1999	3.77775	1,888,875
2000	5.07000	2,535,000
2001	4.90250	2,451,250
2002	3.51125	1,755,625
2003	2.31000	1,155,000

Dividend is based on 500,000 shares for all periods.

- (9) Detailed Income Statement and Balance Sheet.

See pages 6 through 8

Louisville Gas and Electric Company
Income Statement on a Total Company and Jurisdictional Basis
12 Months Ending September 30, 2003

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
OPERATING REVENUES			
Residential Sales	224,809,854	190,808,204	415,618,058
Small (or Comm.)	186,733,573	75,334,659	262,068,232
Large (or Ind.)	111,238,309	13,062,985	124,301,294
Public Street and Highway Lighting	6,060,116	-	6,060,116
Other Sales to Public Authorities	51,936,969	13,269,373	65,206,342
Rate Refunds	7,150,231	-	7,150,231
Total Sales to Ultimate Consumers	<u>587,929,052</u>	<u>292,475,221</u>	<u>880,404,273</u>
Sales for Resale	162,691,063	10,242,834	172,933,897
Forfeited Discounts	1,664,516	1,264,157	2,928,673
Transportation Revenue	-	6,149,239	6,149,239
Miscellaneous Service Revenues	715,238	49,401	764,639
Rent from Electric/Gas Property	3,497,063	371,929	3,868,992
Interdepartmental Rents	-	107,268	107,268
Other Electric Revenue	12,028,852	-	12,028,852
Other Gas Revenue	-	115,296	115,296
Total Operating Revenues	<u>768,525,784</u>	<u>310,775,345</u>	<u>1,079,301,129</u>
OPERATING EXPENSES			
Operation Expense	460,461,708	259,007,015	719,468,723
Maintenance Expense	45,555,210	6,894,494	52,449,704
Depreciation Expense	91,121,777	15,100,865	106,222,642
Amort. & Depl. of Utility Plant	4,706,188	1,568,730	6,274,918
Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs	-	-	-
Regulatory Credits	(5,831,421)	-	(5,831,421)
Taxes Other Than Income Taxes	12,603,252	3,888,055	16,491,307
Income Taxes - Federal	16,169,414	(1,344,277)	14,825,137
- State	7,717,775	(3,424)	7,714,351
Provision for Deferred Income Taxes	65,742,624	15,004,960	80,747,584
(Less) Provision for Deferred Income Taxes - Cr.	(34,632,354)	(5,866,586)	(40,498,940)
Investment Tax Credit Adj. - Net	(4,010,380)	(198,467)	(4,208,847)
Gain (Loss) from Disposition of Allowances	(223,921)	-	(223,921)
Accretion Expense	462,519	-	462,519
Total Utility Operating Expenses	<u>659,842,391</u>	<u>294,051,365</u>	<u>953,893,756</u>
Net Utility Operating Income	<u>108,683,393</u>	<u>16,723,980</u>	<u>125,407,373</u>
TOTAL Other Income			1,139,627
TOTAL Other Income Deductions			4,100,251
TOTAL Taxes on Other Income and Deductions			<u>(3,647,582)</u>
Net Other Income and Deductions			686,958
INTEREST			
Interest on Long - Term Debt			24,297,753
Amort. of Debt Disc. and Expenses			327,707
Amortization of Loss on Reacquired Debt			1,125,404
Other Interest Charges			3,768,782
Total Interest Charges	<u>24,725,165</u>	<u>4,794,481</u>	<u>29,519,646</u>
Net Income Before Extraordinary Items			96,574,685
Extraordinary Items			<u>3,149,402</u>
Net Income			<u><u>93,425,283</u></u>

Louisville Gas and Electric Company
Balance Sheet on a Total Company and Jurisdictional Basis
September 30, 2003

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
UTILITY PLANT			
Utility Plant	2,936,546,601	500,987,226	3,437,533,827
Construction Work in Progress	295,839,688	16,665,990	312,505,678
TOTAL UTILITY PLANT	3,232,386,289	517,653,216	3,750,039,505
Less: Accum. Prov. for Depr. Amort. Depl.	1,339,452,662	183,372,937	1,522,825,599
Net Utility Plant	1,892,933,627	334,280,279	2,227,213,906
Gas Stored Underground - Noncurrent	-	2,139,990	2,139,990
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property	184,108	-	184,108
Less: Accum. Prov. for Deprec. and Amort.	63,360	-	63,360
Other Investments	3,790,000	1,700,000	5,490,000
TOTAL Other Property and Investments	3,910,748	1,700,000	5,610,748
CURRENT AND ACCRUED ASSETS			
Cash	2,835,228	534,828	3,370,056
Special Deposits	25,368	4,785	30,153
Working Fund	48,376	20,674	69,050
Temporary Cash Investments	-	-	0
Customer Accounts Receivable	10,368,085	4,192,631	14,560,716
Other Accounts Receivable	5,059,980	626,119	5,686,099
Less: Accum. Prov. for Uncollectible Acct.-Cr	(505,610)	(204,458)	(710,068)
Notes Receivable from Assoc. Companies	15,809,660	2,982,281	18,791,941
Accounts Receivable from Assoc. Companies	14,316,522	2,700,621	17,017,143
Fuel Stock	25,098,858		25,098,858
Plant Materials and Operating Supplies	20,366,694	205,724	20,572,418
Stores Expense Undistributed	3,732,497	37,702	3,770,199
Gas Stored Underground - Current		69,634,028	69,634,028
Prepayments	1,799,283	339,411	2,138,694
Misc. Current & Accrued Assets	522,934	-	522,934
Interest and Dividends Receivable	2,018,124	380,692	2,398,816
Rents Receivable	90,685	17,106	107,791
Accrued Utility Revenues	(10,750,000)	1,633,000	(9,117,000)
TOTAL Current and Accrued Assets	91,847,904	83,514,060	175,361,964
DEFERRED DEBITS			
Unamortized Debt Expenses	5,328,747	1,005,197	6,333,944
Other Regulatory Assets	70,080,065	16,625,036	86,705,101
Miscellaneous Deferred Debits	34,420,274	39,452,817	73,873,091
Unamortized Loss on Reacquired Debt	15,146,736	2,857,229	18,003,965
Accumulated Deferred Income Taxes	97,333,425	14,645,458	111,978,883
TOTAL Deferred Debits	222,309,247	74,585,737	296,894,984
TOTAL Assets and other Debits	2,211,001,526	496,220,066	2,707,221,592

Louisville Gas and Electric Company
Balance Sheet on a Total Company and Jurisdictional Basis
September 30, 2003

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
PROPRIETARY CAPITAL			
Common Stock Issued	357,695,878	67,474,546	425,170,424
Preferred Stock Issued	60,158,987	11,348,189	71,507,176
Other Paid - In Capital	33,656,795	6,348,904	40,005,699
Other Comprehensive Income	(33,498,942)	(6,319,128)	(39,818,070)
(Less) Capital Stock Expense	1,857,940	350,476	2,208,416
Retained Earnings	<u>405,435,989</u>	<u>76,480,080</u>	<u>481,916,069</u>
TOTAL Proprietary Capital	821,590,767	154,982,115	976,572,882
LONG-TERM DEBT			
Long-Term Notes Payable to Associated Companies	168,260,000	31,740,000	200,000,000
Mandatory Redeemable \$5.875 Series Preferred Stock	19,980,875	3,769,125	23,750,000
Bonds	<u>483,161,955</u>	<u>91,142,045</u>	<u>574,304,000</u>
TOTAL Long - Term Debt	671,402,830	126,651,170	798,054,000
OTHER NONCURRENT LIABILITIES			
Accumulated Provision for Pensions and Benefits	<u>48,199,097</u>	<u>9,092,116</u>	<u>57,291,213</u>
TOTAL OTHER Noncurrent Liabilities	48,199,097	9,092,116	57,291,213
CURRENT AND ACCRUED LIABILITIES			
Notes Payable	-	-	-
Notes Payable to Associated Companies	63,208,595	11,923,456	75,132,051
Accounts Payable	114,973,726	21,688,257	136,661,983
Accounts Payable to Associated Companies	19,650,300	3,706,766	23,357,066
Customer Deposits	7,085,232	2,865,116	9,950,348
Taxes Accrued	10,880,760	2,052,510	12,933,270
Interest Accrued	5,121,674	966,135	6,087,809
Dividends Declared	372,353	70,239	442,592
Tax Collections Payable	659,626	124,430	784,056
Miscellaneous Current and Accrued Liabilities	<u>3,166,957</u>	<u>597,404</u>	<u>3,764,361</u>
TOTAL Current and Accrued Liabilities	225,119,223	43,994,313	269,113,536
DEFERRED CREDITS			
Customer Advances for Construction	507,146	9,193,353	9,700,499
Asset Retirement Obligations	9,792,529	-	9,792,529
Accumulated Deferred Investment Tax Credits	49,464,526	1,915,702	51,380,228
Other Deferred Credits	25,135,177	9,263,504	34,398,681
Other Regulatory Liabilities	42,297,171	2,482,414	44,779,585
Accumulated Deferred Income Taxes	<u>387,806,457</u>	<u>68,331,982</u>	<u>456,138,439</u>
TOTAL Deferred Credits	515,003,006	91,186,955	606,189,961
Electric/Gas adjustment to balance	(70,313,397)	70,313,397	
TOTAL Liabilities and Other Credits	<u>2,211,001,526</u>	<u>496,220,066</u>	<u>2,707,221,592</u>

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Volume Number	Description of Contents
	Statutory Notice
	Application
1	Table of Contents
	Financial Exhibit pursuant to 807 KAR 5:001 Section 6
2	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(1)(a)1 through 807 KAR 5:001 Section 10(6)(k)
3	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(6)(l) through 807 KAR 5:001 Section 10(6)(r)
4	Response to Filing Requirements listed in 807 KAR 5:001 Section 10(6)(s) through 807 KAR 5:001 Section 10(7)(e)
	Direct Testimony
5	Seelye Exhibit - Cost-of-Service Study
6	Robinson Appendix C - Depreciation Study for Electric Division
	Robinson Appendix D - Depreciation Study for Gas Division
7	Robinson Appendix E - Depreciation Study for Common Division

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Tab #	Filing Requirement	Description	Volume #	Sponsoring Witness(es)
1	807 KAR 5:001 Section 10(1)(a)1	<i>A statement of the reason the adjustment is required.</i>	1	Michael S. Beer
2	807 KAR 5:001 Section 10(1)(a)2	<i>A statement that the utility's annual reports, including the annual report for the most recent calendar year, are on file with the Commission in accordance with 807 KAR 5:006, Section 3(1).</i>	1	Michael S. Beer
3	807 KAR 5:001 Section 10(1)(a)3	<i>If the utility is incorporated, a certified copy of the utility's articles of incorporation and all amendments thereto or all out-of-state documents of similar import. If the utility's articles of incorporation and amendments have already been filed with the commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding.</i>	1	Michael S. Beer
4	807 KAR 5:001 Section 10(1)(a)4	<i>If the utility is a limited partnership, a certified copy of the limited partnership agreement and all amendments thereto or all out-of-state documents of similar import. If the utility's limited partnership agreement and amendments have already been filed with the commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding.</i>	1	Michael S. Beer
5	807 KAR 5:001 Section 10(1)(a)5	<i>If the utility is incorporated or a limited partnership, a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.</i>	1	Michael S. Beer
6	807 KAR 5:001 Section 10(1)(a)6	<i>A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary.</i>	1	Michael S. Beer
7	807 KAR 5:001 Section 10(1)(a)7	<i>The proposed tariff in a form which complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.</i>	1	Michael S. Beer
8	807 KAR 5:001 Section 10(1)(a)8	<i>The utility's proposed tariff changes, identified in compliance with 807 KAR 5:011, shown either by: (a) Providing the present and proposed tariffs in comparative form on the same sheet side by side; or, (b) Providing a copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.</i>	1	Michael S. Beer
9	807 KAR 5:001 Section 10(1)(a)9	<i>A statement that customer notice has been given in compliance with subsections (3) and (4) of this section with a copy of the notice.</i>	1	Michael S. Beer
10	807 KAR 5:001 Section 10(2)	<i>Notice of Intent. Utilities with gross annual revenues greater than \$1,000,000 shall file with the commission a written notice of intent to file a rate application at least four (4) weeks prior to filing their application. The notice of intent shall state whether the rate application shall be supported by a historical test period or a fully forecasted test period. This notice shall be served upon the Attorney General, Utility Intervention and Rate Division.</i>	1	Michael S. Beer

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Tab #	Filing Requirement	Description	Volume #	Sponsoring Witness(es)
11	807 KAR 5:001 Section 10(3)	<p>Form of notice to customers. Every utility filing an application pursuant to this section shall notify all affected customers in the manner prescribed herein. The notice shall include the following information:</p> <p>(a) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rate change will apply;</p> <p>(b) The present rates and the proposed rates for each customer class to which the proposed rates would apply;</p> <p>(c) Electric, gas, water and sewer utilities shall include the effect upon the average bill for each customer class to which the proposed rate change will apply;</p> <p>(d) Local exchange companies shall include the effect upon the average bill for each customer class for the proposed rate change in basic local service;</p> <p>(e) A statement that the rates contained in this notice are the rates proposed by (name of utility); however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice;</p> <p>(f) A statement that any corporation, association, or person with a substantial interest in Manner of notification. Sewer utilities shall give the required typewritten notice by mail to all of their customers pursuant to KRS 278.185.</p> <p>Manner of notification. Applicants with twenty (20) or fewer customers affected by the proposed general rate adjustment shall mail the required typewritten notice to each customer no later than the date the application is filed with the commission.</p> <p>Manner of notification. Except for sewer utilities, applicants with more than twenty (20) customers affected by the proposed general rate adjustment shall give the required notice by one (1) of the following methods:</p> <p>1. A typewritten notice mailed to all customers no later than the date the application is filed with the commission;</p> <p>2. Publishing the notice in a trade publication or newsletter which is mailed to all customers no later than the date on which the application is filed with the commission;</p> <p>or</p> <p>3. Publishing the notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made within seven (7) days of the filing of the application with the commission.</p> <p>Manner of notification. If the notice is published, an affidavit from the publisher verifying the notice was published, including the dates of the publication with an attached copy of the published notice, shall be filed with the commission no later than forty-five (45) days of the filed date of the application.</p>	1	Michael S. Beer
12	807 KAR 5:001 Section 10(4)(a)		1	Michael S. Beer
13	807 KAR 5:001 Section 10(4)(b)		1	Michael S. Beer
14	807 KAR 5:001 Section 10(4)(c)		1	Michael S. Beer
15	807 KAR 5:001 Section 10(4)(d)		1	Michael S. Beer

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Tab #	Filing Requirement	Description	Volume #	Sponsoring Witness(es)
16	807 KAR 5:001 Section 10(4)(e)	<i>Manner of notification. If the notice is mailed, a written statement signed by the utility's chief officer in charge of Kentucky operations verifying the notice was mailed shall be filed with the commission no later than thirty (30) days of the filed date of the application.</i>	1	Michael S. Beer
17	807 KAR 5:001 Section 10(4)(f)	<i>Manner of notification. All utilities, in addition to the above notification, shall post a sample copy of the required notification at their place of business no later than the date on which the application is filed which shall remain posted until the commission has finally determined the utility's rates.</i>	1	Michael S. Beer
18	807 KAR 5:001 Section 10(4)(g)	<i>Manner of notification. Compliance with this subsection shall constitute compliance with 807 KAR 5:051, Section 2.</i>	1	Michael S. Beer
19	807 KAR 5:001 Section 10(5)	<i>Notice of hearing scheduled by the commission upon application by a utility for a general adjustment in rates shall be advertised by the utility by newspaper publication in the areas that will be affected in compliance with KRS 424.300</i>	1	Michael S. Beer
20	807 KAR 5:001 Section 10(6)(a)	<i>A complete description and quantified explanation for all proposed adjustments, with proper support for any proposed changes in price or activity levels, and any other factors which may affect the adjustment.</i>	1	S. Bradford Rives
21	807 KAR 5:001 Section 10(6)(b)	<i>If the utility has gross annual revenues greater than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application.</i>	1	S. Bradford Rives
22	807 KAR 5:001 Section 10(6)(c)	<i>If the utility has gross annual revenues less than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application or a statement that the utility does not plan to submit any prepared testimony.</i>	1	S. Bradford Rives
23	807 KAR 5:001 Section 10(6)(d)	<i>A statement estimating the effect that the new rates will have upon the revenues of the utility including, at minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease.</i>	1	W. Steven Seelye
24	807 KAR 5:001 Section 10(6)(e)	<i>If the utility provides electric, gas, water, or sewer service the effect upon the average bill for each customer classification to which the proposed rate change will apply.</i>	1	W. Steven Seelye
25	807 KAR 5:001 Section 10(6)(f)	<i>If the utility is a local exchange company, the effect upon the average bill for each customer class for the proposed rate change in basic local service.</i>	1	Michael S. Beer
26	807 KAR 5:001 Section 10(6)(g)	<i>An analysis of customers' bills in such detail that revenues from the present and proposed rates can be readily determined for each customer class.</i>	1	W. Steven Seelye
27	807 KAR 5:001 Section 10(6)(h)	<i>A summary of the utility's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.</i>	1	S. Bradford Rives
28	807 KAR 5:001 Section 10(6)(i)	<i>A reconciliation of the rate base and capital used to determine its revenue requirement.</i>	1	S. Bradford Rives
29	807 KAR 5:001 Section 10(6)(j)	<i>A current chart of accounts if more detailed than the Uniform System of Accounts prescribed by the commission.</i>	1	Valerie L. Scott

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Tab #	Filing Requirement	Description	Volume #	Sponsoring Witness(es)
30	807 KAR 5:001 Section 10(6)(k)	<i>The independent auditor's annual opinion report, with any written communication from the independent auditor to the utility which indicates the existence of a material weakness in the utility's internal controls.</i>	1	S. Bradford Rives
31	807 KAR 5:001 Section 10(6)(l)	<i>The most recent Federal Energy Regulatory Commission or Federal Communication Commission audit reports.</i>	2	Valerie L. Scott
32	807 KAR 5:001 Section 10(6)(m)	<i>The most recent Federal Energy Regulatory Commission Form 1 (electric), Federal Energy Regulatory Commission Form 2 (gas), or Automated Reporting Management Information System Report (telephone) and Public Service Commission Form T (telephone).</i>	2	Valerie L. Scott
33	807 KAR 5:001 Section 10(6)(n)	<i>A summary of the utility's latest depreciation study with schedules by major plant accounts, except that telecommunications utilities that have adopted the commission's average depreciation rates shall provide a schedule that identifies the current and test period depreciation rates used by major plant accounts. If the required information has been filed in another commission case a reference to that case's number and style will be sufficient.</i>	2	Valerie L. Scott Earl Robinson
34	807 KAR 5:001 Section 10(6)(o)	<i>A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application. This list shall include each software, program, or model; what the software, program, or model was used for; identify the supplier of each software, program, or model; a brief description of the software, program, or model; the specifications for the computer hardware and the operating system required to run the program.</i>	2	Valerie L. Scott
35	807 KAR 5:001 Section 10(6)(p)	<i>Prospectuses of the most recent stock or bond offerings.</i>	2	S. Bradford Rives
36	807 KAR 5:001 Section 10(6)(q)	<i>Annual report to shareholders, or members, and statistical supplements covering the two (2) most recent years from the utility's application filing date.</i>	2	S. Bradford Rives
37	807 KAR 5:001 Section 10(6)(r)	<i>The monthly management reports providing financial results of operations for the twelve (12) months in the test period.</i>	2	Valerie L. Scott
38	807 KAR 5:001 Section 10(6)(s)	<i>Securities and Exchange Commission's annual report for the most recent two (2) years, Form 10-Ks and any Form 8-Ks issued within the past two (2) years, and Form 10-Qs issued during the past six (6) quarters updated as current information becomes available.</i>	3	S. Bradford Rives

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Tab #	Filing Requirement	Description	Volume #	Sponsoring Witness(es)
39	807 KAR 5:001 Section 10(6)(t)	<p>If the utility had any amounts charged or allocated to it by an affiliate or general or home office or paid any monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years, the utility shall file:</p> <ol style="list-style-type: none"> 1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each charge allocation or payment; 2. An explanation of how the allocator for the test period was determined; and 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during the test period was reasonable; 	3	Valerie L. Scott
40	807 KAR 5:001 Section 10(6)(u)	<p>If the utility provides gas, electric or water utility service and has annual gross revenues greater than \$5,000,000, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period.</p>	3	W. Steven Seelye
41	807 KAR 5:001 Section 10(6)(v)	<p>Local exchange carriers with fewer than 50,000 access lines shall not be required to file cost of service studies, except as specifically directed by the commission. Local exchange carriers with more than 50,000 access lines shall file:</p> <ol style="list-style-type: none"> 1. A jurisdictional separations study consistent with Part 36 of the Federal Communications Commission's rules and regulations; and 2. Service specific cost studies to support the pricing of all services that generate annual revenue greater than \$1,000,000, except local exchange access: <ol style="list-style-type: none"> a. Based on current and reliable data from a single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles. <p>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application:</p> <ol style="list-style-type: none"> (a) A detailed income statement and balance sheet reflecting the impact of all proposed adjustments; (b) The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions. 	3	Michael S. Beer
42	807 KAR 5:001 Section 10(7)(a)	<p>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application:</p> <ol style="list-style-type: none"> (a) A detailed income statement and balance sheet reflecting the impact of all proposed adjustments; (b) The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions. 	3	Valerie L. Scott
43	807 KAR 5:001 Section 10(7)(b)	<p>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application:</p> <ol style="list-style-type: none"> (a) A detailed income statement and balance sheet reflecting the impact of all proposed adjustments; (b) The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions. 	3	Valerie L. Scott

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Tab #	Filing Requirement	Description	Volume #	Sponsoring Witness(es)
44	807 KAR 5:001 Section 10(7)(c)	<p>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application:</p> <p>(c) For each proposed pro forma adjustment reflecting plant additions provide the following information:</p> <ol style="list-style-type: none"> 1. The starting date of the construction of each major component of plant; 2. The proposed in-service date; 3. The total estimated cost of construction at completion; 4. The amount contained in construction work in progress at the end of the test period; 5. A schedule containing a complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement; 6. The original cost, cost of removal and salvage for each component of plant to be retired during the period of the proposed pro forma adjustment for plant additions. 	3	Valerie L. Scott
45	807 KAR 5:001 Section 10(7)(d)	<p>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application:</p> <p>(d) The operating budget for each period encompassing the pro forma adjustments.</p> <p>Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following information shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application:</p>	3	Valerie L. Scott
46	807 KAR 5:001 Section 10(7)(e)	<p>(e) The number of customers to be added to the test period-end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.</p>	3	W. Steven Seelye

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements

Filing Requirement
807 KAR 5:001 Section 10(1)(a)1
Sponsoring Witness: Michael S. Beer

Description of Filing Requirement:

A statement of the reason the adjustment is required.

Response:

LG&E's gas and electric rates must be adjusted to a level which will provide it with an opportunity to recover sufficient revenues to operate its gas and electric businesses successfully, maintain its financial integrity, attract capital and compensate investors for the risks assumed with respect to its gas and electric businesses. LG&E's gas and electric earnings are very low. LG&E has not requested an electric rate increase in 13 years and has not requested a gas rate increase in 4 years. Its gas and electric plant have increased since its last rate cases. Despite ongoing and significant efforts to manage costs and the implementation of operational efficiencies, its operation and maintenance costs have increased. LG&E's current rates do not provide sufficient revenue to pay the expenses of its gas and electric operations and also provide a fair and reasonable return on its capital. The rates presently charged by LG&E for gas and electric service are no longer compensatory and are unfair, unjust and unreasonable. LG&E now seeks an increase in both gas and electric rates in order to provide it an opportunity to recover sufficient revenues to operate in a safe and reliable manner, maintain its financial integrity, and properly compensate its shareholders for the risks assumed with respect to jurisdictional operations. Please refer to Volume 4, the testimonies of Victor A. Staffieri and Michael S. Beer.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)2
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

A statement that the utility's annual reports, including the annual report for the most recent calendar year, are on file with the Commission in accordance with 807 KAR 5:006, Section 3(1).

Response:

LG&E confirms that its annual reports, including the annual report for the most recent calendar year, are on file with the Commission.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)3
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

If the utility is incorporated, a certified copy of the utility's articles of incorporation and all amendments thereto or all out-of-state documents of similar import. If the utility's articles of incorporation and amendments have already been filed with the commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding.

Response:

A certified copy of LG&E's Articles of Incorporation, as amended, is on file with the Commission in Case No. 2001-104, *In the Matter of: Joint Application of E.ON AG, Powergen, plc, LG&E Energy Corp., Louisville Gas and Electric Company and Kentucky Utilities Company for Approval of an Acquisition.*

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)4
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

If the utility is a limited partnership, a certified copy of the limited partnership agreement and all amendments thereto or all out-of-state documents of similar import. If the utility's limited partnership agreement and amendments have already been filed with the commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding.

Response:

LG&E is not a limited partnership and, therefore, compliance with this filing requirement is not necessary.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)5
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

If the utility is incorporated or a is a limited partnership, a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.

Response:

See attached.



John Y. Brown III
Secretary of State

Certificate of Existence

I, John Y. Brown III, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

LOUISVILLE GAS AND ELECTRIC COMPANY

is a corporation duly organized and existing under KRS Chapter 271B, whose date of incorporation is July 2, 1913 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that articles of dissolution have not been filed; and that the most recent annual report required by KRS 271B.16-220 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 7th day of November, 2003.



John Y. Brown, III

John Y. Brown III
Secretary of State
Commonwealth of Kentucky
JDozier/0032196

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)6
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary.

Response:

The legal name of LG&E is Louisville Gas and Electric Company. It has never done business in any state under an assumed name and has never filed a Certificate of Assumed Name as may be required by KRS 365.015. Therefore, the filing of a copy of any such certificate as required by this Filing Requirement is not necessary.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)7
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

The proposed tariff in a form which complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.

Response:

See attached.

LG&E's Proposed Tariff – Electric

Louisville Gas And Electric Company
220 West Main Street
Louisville, Kentucky

Rates, Terms and Conditions for Furnishing
ELECTRIC SERVICE

In the nine counties of the Louisville, Kentucky, metropolitan area
as depicted on territorial maps as filed with the

PUBLIC SERVICE COMMISSION
OF KENTUCKY

Date of Issue
December 29, 2003

Date Effective
February 1, 2004

Issued by
Michael S. Beer, Vice President

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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ELECTRIC RATE SCHEDULE **RS**
Residential Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for single phase, single family residential service subject to the terms and conditions on Sheet No. 85 of this Tariff.

RATE

Customer Charge: \$9.00 per month

Winter Rate: (Applicable during 8 billing periods of October through May)
4.953¢ per KWH

Summer Rate: (Applicable during 4 billing periods of June through September)
6.327¢ per KWH

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earning Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

MINIMUM CHARGE

The customer charge will be the minimum charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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ELECTRIC RATE SCHEDULE VFD
Volunteer Fire Department Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for single-phase delivery, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

RATE

Customer Charge: \$9.00 per month

Plus an Energy Charge of:

Winter Rate: (Applicable during 8 billing periods of October through May)

4.953 cents per KWH

Summer Rate: (Applicable during 4 billing periods of June through September)

6.327 cents per KWH

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earning Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

MINIMUM CHARGE

The Customer Charge shall be the minimum charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: December 29, 2003

Issued By

Effective Date: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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ELECTRIC RATE SCHEDULE

RPM

Residential Prepaid Metering

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This Schedule is available to individually metered residential electric customers. Customers who also receive gas service from the Company must be billed for such gas service through the Company's Budget Payment Plan. The electric service provided to Customer is to be used for domestic purposes in and about an individually metered residential dwelling unit as defined in and subject to the terms and conditions set forth on Sheet Nos. 25 and 26 of this Tariff.

Service under this Schedule is not available: (1) for individual motors in excess of 10 HP; (2) for commercial or industrial purposes; (3) for resale service; (4) for temporary or seasonal service; (5) where Customer or a member of the Customer's household utilizes medical life support equipment; (6) to Customer who has a medical Certificate of Need on File with Company; (7) to Customer who has designated a third party to receive notification of any pending termination notices; (8) in those areas where Company does not offer prepaid power service; (9) for other uses not specifically provided for by the provisions herein.

FIXED RATE

Prepaid Metering Facilities Charge:	\$ 24.00 per meter per year
Basic Customer Charge:	\$108.00 per meter per year
Kilowatt-Hour Charge:	5.518¢ per KWH

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earning Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

MINIMUM CHARGE

The Basic Customer Charge, Prepaid Metering Facilities Charge, and, where applicable, monthly Budget Payment Plan amounts.

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ELECTRIC RATE SCHEDULE

RPM

Residential Prepaid Metering

PAYMENTS AND BILLING

Prepaid service shall be purchased only at locations designated by Company. Customer purchases are subject to a maximum (\$300) individual purchase amount and total maximum amount remaining on the prepaid power billing and metering system as determined by Company. Customer is responsible for transferring each amount purchased on the purchase card to the in-house display terminal.

At the time of the installation of the prepaid power metering system at Customer's premises, a temporary credit will be provided. This amount will be deducted from the first purchase Customer makes with the prepaid power purchase card.

At such time as the value of the service consumed equals the value of prepaid purchases, electric service is subject to immediate disconnection from Company by the prepaid metering system until additional purchases by Customer are made and transferred from the purchase card to the in-house display terminal. Should the electric service be disconnected by the prepaid metering system caused by Customer's electrical usage having consumed the entire value of the prepaid purchases transferred to the meter through the in-house display terminal, the Basic Customer Charge and the prepaid metering facilities charge will continue to be accumulated on Customer's account and will be deducted from the Customer's next prepaid purchase for electric service and Budget Payment Plan for gas service as applicable.

In the event Customer has an indebtedness with Company for service previously provided, Company may allow, at its sole option, for Customer to pay the indebtedness or portions of the indebtedness by deducting a portion or all of the indebtedness as a percentage (30%) of each prepaid purchase made thereafter until the indebtedness is satisfied.

In the event Customer has an electric service deposit with Company at the time Customer elects to take service under this Schedule, a refund will be issued for the deposit plus applicable interest less all outstanding indebtedness. Any amount of the deposit and interest in excess of the outstanding indebtedness will be applied as a credit on the first purchase Customer makes thereafter with the prepaid power purchase card.

Company will not mail or deliver regular monthly electric bill payment and consumption information to Customer. Customer shall receive a receipt of payment and other billing information at each prepaid power card purchase.

During the period of November 1 through March 31, the prepaid power metering system will run in credit mode and, during that time period, prepay customers will be subject to traditional credit service disconnection policies.

SERVICE PERIOD

The initial Service Period for service under this Schedule shall be for ninety (90) days. The Minimum Service Period during the first year of service under this schedule shall be the eight consecutive months of October through May. Failure to comply with the Minimum Service Period may bar Customer from receiving service under this schedule for one year. After the initial Service Period, Customer may terminate participation under this Schedule by giving Company thirty days (30) notice. If Customer elects to be served under another of Company's available rate schedules, Customer may be required to furnish a deposit. Customer will subsequently be provided service under the same terms, as applicable, as prior to choosing service under this Schedule.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE

RPM

Residential Prepaid Metering

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Company will furnish, maintain, and own all the prepaid power equipment including the meter, the in-house display unit, primary prepaid power purchase card, and one reserve card. Company shall install the meter. Customer shall receive the in-house display unit and the prepaid power purchase cards, in person, at the time Customer enrolls as a participant in this schedule, at a place designated as a Residential Prepaid Metering Customer Service Center. Delivery of equipment to Customer's premise by Company shall be at the sole discretion of the Company. Customer shall be responsible for connecting the in-house display terminal to Customer's in-home electrical outlet and transferring purchases from the prepaid power purchase card to the in-house display terminal.

Company will provide Customer initially with a prepaid power purchase card for the purpose of purchasing the electricity in conjunction with this Schedule. In the event Customer loses a prepaid power purchase card and requests a replacement card, Customer shall pay a fee of \$5.00 for each replacement card.

In the event either the in-house display unit and/or the meter is stolen or damaged by acts of Customer or others, Customer shall pay a replacement charge of \$120.00 for the in-house display unit and/or \$330.00 for the meter plus the applicable callout charge stated below. Correspondingly, if Customer fails to return the in-house display terminal to Company at such time as Customer discontinues receiving service under this Schedule, Customer shall also pay the charge of \$120.00 to Company.

Should it be necessary for a Company representative to visit Customer's premise due to Customer withdrawing from the Pilot Program prior to the initial ninety (90) day period or due to a Customer-reported malfunction of the prepaid power metering equipment or in-house display terminal and Company determines there is no malfunction of the prepaid power metering equipment or in-house display terminal, Customer will be subject to a charge of \$18.50 for the callout, except that Company will waive the charge for the first such callout by Customer. Replacement of batteries in the in-house display terminal shall be the responsibility of Customer and the lack of operational batteries in the in-house display terminal shall not be considered as a malfunction of the unit.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

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ELECTRIC RATE SCHEDULE **GS**
General Service Rate

APPLICABLE

In all territory served

AVAILABILITY OF SERVICE

Available to any customer for alternating current service, single-phase or three-phase, for lighting, power, and other general usage, measured and delivered at one of Company's standard distribution voltages; provided, however, that after February 28, 1983, this rate shall not be available for the addition of customers with connected loads of 200 kilowatts or more (such customers may take service under Rate LC or Rate LP, as applicable). Service taken through each meter will be billed separately. If customer desires to take lighting service through a three-phase meter, the customer shall furnish and maintain any transformation or voltage regulatory equipment required for such lighting service.

RATE

Customer Charge: \$18.00 per meter per month for single-phase service
 \$22.00 per meter per month for three-phase service

Winter Rate: (Applicable during 8 billing periods
 of October through May)

All kilowatt-hours per month 6.063¢ per KWH

Summer Rate: (Applicable during 4 billing periods
 of June through September)

All kilowatt-hours per month 6.816¢ per KWH

PRIMARY DISCOUNT

A discount of 5% will be applied to the amount computed in accordance with the above charges when the customer takes service at distribution or transmission line voltage of 2300 volts or higher, and furnishes, installs, and maintains complete substation structure and all equipment necessary to take service at the voltage available at the point of connection. Primary service under this rate schedule is restricted to those customers being billed under this rate schedule as of its effective date February 1, 2004.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earning Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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ELECTRIC RATE SCHEDULE	GS
General Service Rate	
MINIMUM CHARGE The Customer Charge shall be the minimum charge.	T
LATE PAYMENT CHARGE The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	T
TERM OF CONTRACT For a fixed term of not less than one year and for such time thereafter until terminated by either party giving 30 days written notice to the other of the desire to terminate.	T ↓
TERMS AND CONDITIONS Service will be furnished under Company's Terms and Conditions applicable	T T

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE LC
Large Commercial Rate

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for alternating current service to customers whose monthly demand is less than 2,000 kilowatts and whose entire lighting and power requirements are purchased under this schedule at a single service location.

RATE

Customer Charge: \$65.00 per delivery point per month.

Demand Charge:

	<u>Secondary Distribution</u>	<u>Primary Distribution</u>
Winter Rate: (Applicable during 8 billing periods of October through May)		
All kilowatts of billing demand	\$10.96 per KW per month	\$9.86 per KW per month
Summer Rate: (Applicable during 4 billing periods of June through September)		
All kilowatts of billing demand	\$13.69 per KW per month	\$12.59 per KW per month
Energy Charge: All kilowatt-hours per month	2.400¢ per KWH	

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earning Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period; but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE

LC

Large Commercial Rate

Where light and power service at a single service location are measured through separate meters, the highest 15-minute demands for each character of service shall be combined for billing purposes.

PRIMARY DISTRIBUTION SERVICE

The above demand charge for primary distribution service is predicated on the customer's taking service at the applicable voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2400/4160Y, 7200/12,470Y, 13,800 or 34,500.

MINIMUM CHARGE

The bill shall in no event be less than the Customer Charge plus the Demand Charge computed upon the billing demand for the month.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT AND EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal light and power circuit or circuits.

TERMS OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

**ELECTRIC RATE SCHEDULE LC-TOD
Large Commercial Time-of-Day Rate**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for alternating current service to customers whose monthly demand is equal to or greater than 2,000 kilowatts and whose entire lighting and power requirements are purchased under this schedule at a single service location.

RATE

Customer Charge: \$90.00 per delivery point per month

Demand Charge:

Basic Demand Charge	
Secondary Distribution	\$3.22 per KW per month
Primary Distribution	\$2.12 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period	\$10.47 per KW per month
Winter Peak Period	\$ 7.74 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.400¢ per KWH

SUMMER PEAK PERIOD is defined as weekdays from 10 A.M. to 9 P.M., Eastern Standard Time during the 4 billing periods of June through September.

WINTER PEAK PERIOD is defined as weekdays, except from 8 A.M. to 10 P.M., Eastern Standard Time, during the 8 billing periods of October through May.

PRIMARY DISTRIBUTION SERVICE

The above demand charge for primary distribution service is predicated on the customer's taking service at the applicable voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2400/4160Y, 7200/12,470Y, 13,800 or 34,500.

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ELECTRIC RATE SCHEDULE LC-TOD
Large Commercial Time-of-Day Rate

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earning Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

MINIMUM CHARGE

The bill shall in no event be less than the Customer Charge plus the Demand Charge computed upon the billing demand for the month.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT OR EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal light and power circuit or circuits.

TERMS OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.



**ELECTRIC RATE SCHEDULE LP
Large Power Industrial Rate**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for three-phase power and lighting service to industrial customers whose monthly demand is less than 2,000 kilowatts, the customer to furnish and maintain all necessary transformation and voltage regulatory equipment required for lighting usage. As used herein, the term "industrial" shall apply to any activity engaged primarily in manufacturing or to any other activity where the usage for lighting does not exceed 10% of total usage.

RATE

Customer Charge: \$90.00 per delivery point per month

Demand Charge:	<u>Secondary Distribution</u>	<u>Primary Distribution</u>	<u>Transmission Line</u>
Winter Rate: (Applicable during 8 billing periods of October through May)			
All kilowatts of billing demand	\$11.73 per KW per month	\$10.63 per KW per month	\$9.49 per KW per month
Summer Rate: (Applicable during 4 billing periods of June through September)			
All kilowatts of billing demand	\$14.27 per KW per month	\$13.17 per KW per month	\$12.01 per KW per month

Energy Charge: All kilowatt-hours per month 2.000¢ per KWH

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
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Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

Customers receiving service hereunder may elect not to participate in programs pursuant to the DSM Cost Recovery Mechanism, and such customers will not be assessed a charge thereunder. A customer may not opt out of the DSM Cost Recovery Mechanism for three years from the date it last received a DSM program pursuant to the mechanism. Those customers that opt out must pay in a lump sum any unpaid balance of its share of the costs of any DSM programs it has received. However, a customer who opts out may reverse that election and participate under the DSM Cost Recovery Mechanism.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE

LP

Large Power Industrial Rate

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period; but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

PRIMARY DISTRIBUTION AND TRANSMISSION LINE SERVICE

The above demand charges for primary distribution and transmission line service are predicated on the customer's taking service at the applicable available voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2,400/4,160Y, 7,200/12,470Y, 13,800, or 34,500. The transmission line voltages of Company, where available, are 69,000, 138,000 and 345,000.

POWER FACTOR PROVISION

In the case of customers with maximum demands of 150 kilowatts or more, the monthly demand charge shall be decreased .4% for each whole one per cent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one per cent by which the monthly average power factor is less than 80% lagging. Customers with maximum demands less than 150 kilowatts shall maintain an average lagging power factor of not less than 80%, and suitable accessory equipment shall be installed by such customers where necessary to avoid a lower power factor.

Monthly average power factor shall be determined by means of a reactive component meter ratcheted to record only lagging reactive kilovolt ampere hours, used in conjunction with a standard watt-hour meter.

MINIMUM CHARGE

The Customer Charge plus the monthly billing demand, which is the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period; but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT OR EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal power circuit.

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ELECTRIC RATE SCHEDULE

LP

Large Power Industrial Rate

TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE

LP-TOD

Large Power Industrial Time-of-Day Rate

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for three-phase power and lighting service to industrial customers whose monthly demand is equal to or greater than 2,000 kilowatts, the customer to furnish and maintain all necessary transformation and voltage regulatory equipment required for lighting usage. Company reserves the right to decline to serve any new load of more than 50,000 kilowatts under this rate schedule. As used herein, the term "industrial" shall apply to any activity engaged primarily in manufacturing or to any other activity where the usage for lighting does not exceed 10% of total usage. This monthly demand requirement of equal to or greater than 2,000 kilowatts will apply only to customers who request service under this rate on and after February 1, 2004.

RATE

Customer Charge: \$120.00 per delivery point per month

Demand Charge:

Basic Demand Charge

Secondary Distribution	\$4.62 per KW per month
Primary Distribution	\$3.52 per KW per month
Transmission Line	\$2.33 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period	\$9.65 per KW per month
Winter Peak Period	\$7.11 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.000¢ per KWH

SUMMER PEAK PERIOD is defined as weekdays from 10 A.M. to 9 P.M., Eastern Standard Time, during the 4 billing periods of June through September.

WINTER PEAK PERIOD is defined as weekdays from 8 A.M. to 10 P.M., Eastern Standard Time, during the 8 billing periods of October through May.

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ELECTRIC RATE SCHEDULE

LP-TOD

Large Power Industrial Time-of-Day Rate

PRIMARY DISTRIBUTION AND TRANSMISSION LINES SERVICE

The above demand charge for primary distribution and transmission line service are predicated on the customer's taking service at the applicable available voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2,400/4,160Y, 7,200/12,470Y, 13,800, or 34,500. The transmission line voltages of Company, where available, are 69,000, 138,000 and 345,000.

POWER FACTOR PROVISION

The monthly demand charge shall be decreased .4% for each whole one percent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one percent by which the monthly average power factor is less than 80% lagging.

Monthly average power factor shall be determined by means of a reactive component meter ratcheted to record only lagging reactive kilovolt ampere hours, used in conjunction with a standard watt-hour meter.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
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Earning Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

Customers receiving service hereunder may elect not to participate in programs pursuant to the DSM Cost Recovery Mechanism, and such customers will not be assessed a charge thereunder. A customer may not opt out of the DSM Cost Recovery Mechanism for three years from the date it last received a DSM program pursuant to the mechanism. Those customers that opt out must pay in a lump sum any unpaid balance of its share of the costs of any DSM programs it has received. However, a customer who opts out may reverse that election and participate under the DSM Cost Recovery Mechanism.

MINIMUM CHARGE

The bill shall in no event be less than the Customer Charge plus the Demand Charge computed upon the billing demand for the month.

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ELECTRIC RATE SCHEDULE

LP-TOD

Large Power Industrial Time-of-Day Rate

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT OR EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal power circuit.

TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

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ELECTRIC RATE SCHEDULE NCLS
Non-Conforming Load Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase delivery to customers with non-conforming loads up to an aggregate of two hundred (200) MVA for all customers taking service under this schedule and under the NCLS schedule of Kentucky Utilities Company. This schedule is restricted to individual customers whose monthly demand is twenty (20) MVA or greater. A customer is defined as non-conforming if that customer's load either increases or decreases twenty (20) MVA or more per minute or seventy (70) MVA or more in ten (10) minutes when such increases or decreases exceed one (1) occurrence per hour during any hour of the billing month.

Subject to the above aggregate limit of two hundred (200) MVA, this schedule is mandatory for all customers whose load is defined as non-conforming and not served on another standard rate schedule as of the effective date this rate schedule is approved by the Public Service Commission of Kentucky.

BASE RATE

	<u>Primary</u>	<u>Transmission</u>
Energy Charge of: Per monthly billing period	\$0.0150 per kWh	\$0.0150 per kWh
Plus a Demand Charge of: Per monthly billing period of		
Basic Demand Charge	\$5.79 per KVA	\$3.71 per KVA
Plus Peak Demand Charge		
Winter Peak	\$5.13 per KVA	\$5.13 per KVA
Summer Peak	\$9.69 per KVA	\$9.69 per KVA

Where the monthly billing peak demands, measured over a five (5) minute interval, are the greater of the applicable charge per KVA times:

- a) the maximum metered peak period demands in the monthly billing period,
- b) 60% of the maximum metered peak period demands in the preceding eleven (11) monthly billing periods,
- c) 60% of the contract capacity based on the expected maximum demand upon the system, or
- d) minimum may be adjusted where customer's service requires an abnormal investment in special facilities.

The On-Peak Period shall be weekdays, 8:00 a.m. - 10:00 p.m., Eastern Standard Time, year round, throughout the Company's service territory. The Off-Peak Period shall consist of all other hours.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE NCLS
Non-Conforming Load Service

MINIMUM BILL

The minimum bill will be the Demand Charge. Without limiting the foregoing, the Demand Charge shall be due regardless of any event or occurrence that might limit (a) Customer's ability or interest in operating Customer's facility, including but without limitation any acts of God, fires, floods, earthquakes, acts of government, terrorism, severe weather, riot, embargo, changes in law, or strikes or (b) the Company's ability to serve customer.

ADJUSTMENT CLAUSES

The amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Surcharge	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earnings Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

DUE DATE OF BILL

Customer's payment will be due within 15 days from date of bill.

TERM OF CONTRACT

Unless terminated by mutual agreement, the initial term of contract for service under the BASE RATE shall be for a fixed term of five years with successive one year term renewal until canceled by either party giving at least 1 year written notice to the other prior to the end of the initial term or the then current annual renewal period, as applicable.

SYSTEM CONTINGENCIES AND INDUSTRY SYSTEM PERFORMANCE CRITERIA

Company reserves the right to interrupt Customer's load to facilitate Company compliance with system contingencies and with industry performance criteria. Customer will permit Company to install electronic equipment and associated real-time metering to permit Company interruption of Customer's load. Such equipment will immediately notify Customer five (5) minutes before an electronically initiated interruption that will begin immediately thereafter and last no longer than ten (10) minutes. Such interruptions will not be accumulated nor credited against annual hours, if any, under the CURTAILMENT SERVICE RIDER.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

ELECTRIC RATE SCHEDULE OL
Outdoor Lighting Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE - RESTRICTED

To any customer who can be served in accordance with the special terms and conditions set forth herein and who is willing to contract for service in accordance with such special terms and conditions. This rate schedule will continue to be available only to customers that were being served hereunder on February 1, 2004, and will not be available for the addition of new customers.

CHARACTER OF SERVICE

This rate schedule covers electric lighting service to outdoor equipment for the illumination of streets, driveways, yards, lots and other outdoor areas. Company will provide, own and maintain the lighting equipment, as hereinafter described, and will furnish the electrical energy to operate such equipment. Service under this rate will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4000 hours per year, and only to the types of lighting units specified herein.

RATES

<u>Type of Unit</u>	<u>Rate Per Month Per Unit</u>
<u>Overhead Service</u>	
<u>Mercury Vapor</u>	
100 Watt	\$ 7.38
175 Watt	8.35
250 Watt	9.46
400 Watt	11.53
1000 Watt	22.06
<u>High Pressure Sodium Vapor</u>	
100 Watt	\$ 8.19
150 Watt	10.47
250 Watt	12.33
400 Watt	12.95
1000 Watt	30.66
<u>Underground Service</u>	
<u>Mercury Vapor</u>	
100 Watt - Top Mounted	\$12.89
175 Watt - Top Mounted	13.97
<u>High Pressure Sodium Vapor</u>	
70 Watt - Top Mounted	\$11.49
100 Watt - Top Mounted	15.17
150 Watt - Top Mounted	18.39
150 Watt	20.67
250 Watt	23.65
400 Watt	25.97
1000 Watt	58.40

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Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

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ELECTRIC RATE SCHEDULE OL
Outdoor Lighting Service

<u>Decorative Lighting Service</u>	<u>Rate Per Month Per Unit</u>
<u>Fixtures</u>	
<u>Acorn with Decorative Basket</u>	
70 Watt High Pressure Sodium	\$16.28
100 Watt High Pressure Sodium	17.03
<u>8-Sided Coach</u>	
70 Watt High Pressure Sodium	16.47
100 Watt High Pressure Sodium	17.22
<u>Poles</u>	
10' Smooth	9.50
10' Fluted	11.35
<u>Bases</u>	
Old Town/Manchester	3.05
Chesapeake/Franklin	3.26
Jefferson/Westchester	3.26
Norfolk/Essex	3.48

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand Side Management Surcharge	Sheet No. 71
Environmental Surcharge	Sheet No. 72
Merger Surcredit	Sheet No. 73
Earnings Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit	Sheet No. 75
Franchise Fee	Sheet No. 76
School Tax	Sheet No. 77

SPECIAL TERMS AND CONDITIONS

1. Company will furnish and install the lighting unit complete with lamp, fixture or luminaire, control device, and mast arm. The above rates for overhead service contemplate installation on an existing wood pole with service supplied from overhead circuits only; provided, however, that, when possible, floodlights served hereunder may be attached to existing metal street lighting standards supplied from overhead service. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit, the customer to pay an additional charge of \$1.86 per month for each such pole so installed. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.

2. The above rates for underground service contemplate a normal installation served from underground lines located in the streets, with a direct buried cable connection of not more than 200 feet per unit in those localities supplied with electric service through underground distribution facilities. If additional facilities are required, the customer shall make a

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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ELECTRIC RATE SCHEDULE

OL

Outdoor Lighting Service

non-refundable cash advance equivalent to the installed cost of such excess facilities. The Company may provide underground lighting service in localities otherwise served through overhead facilities when, in its hereto in locations deemed by the Company as unsuitable for underground installation

3. **DECORATIVE LIGHTING SERVICE.** The monthly rates for Decorative Lighting are calculated as the sum of the rates for the individual elements of the customized light. For example, the monthly rate will be calculated as the sum of the rates for the chosen fixture style and wattage, the chosen pole style, and the chosen base style, if one is chosen. This provides flexibility for the Company to meet the individual desires of each Decorative Lighting customer.
4. All lighting units, poles and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service.
5. If any permit is required from municipal or other governmental authority with respect to the installation and use of any of the lighting units served hereunder, it will be the responsibility of the customer to obtain such permit.
6. All servicing and maintenance will be performed only during regular schedule working hours of the Company. The customer shall be responsible for reporting outages and other operating faults, and the Company will undertake to service the lighting equipment within 48 hours after such notification by the customer.
7. The customer will exercise proper care to protect the property of Company on his premises, and in the event of loss or damage to Company's property arising from the negligence of the customer, the cost of the necessary repair or replacement shall be paid by the customer. Company may decline to install equipment and provide service thereto in locations where, in Company's judgment, such equipment will be subject to unusual hazards or risk of damage.
8. Contracts for this service shall have a minimum fixed term of two years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for non-payment of bills or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
9. Before agreeing to install lighting units Company may require reasonable assurance that the interest of the applicant for service will continue for a minimum fixed contract term or that the service will be continued by another party after the interest of the original applicant has terminated.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 29, 2003

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Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

Louisville Gas and Electric Company

Second Revision of Original Sheet No. 36
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE PSL Public Street Lighting Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE - RESTRICTED

Available to municipal, county, state and Federal governments, including divisions thereof, and other bodies politic which have the authority to levy and collect general taxes, for the lighting of public streets and roads, public parks and other outdoor locations open to and reserved for general public use. This rate schedule will continue to be available only to customers that were being served hereunder on February 1, 2004, and will not be available for the addition of new customers.

CHARACTER OF SERVICE

This rate schedule covers electric lighting service to Company-owned and maintained street lighting equipment as hereinafter described. Service under this rate schedule will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4,000 hours per year, and only to the types of lighting units specified herein.

RATES

<u>Type of Unit</u>	<u>Rate Per Month Per Unit</u>
<u>Overhead Service</u>	
<u>Mercury Vapor</u>	
100 Watt	\$ 6.62
175 Watt	7.71
250 Watt	8.76
400 Watt	10.41
400 Watt (underground pole)	15.07
1000 Watt	20.63
<u>High Pressure Sodium Vapor</u>	
100 Watt	\$ 7.91
150 Watt	9.46
250 Watt	11.29
400 Watt	11.67
1000 Watt	26.54
<u>Underground Service</u>	
<u>Mercury Vapor</u>	
100 Watt - Top Mounted	\$10.84
175 Watt - Top Mounted	11.92
175 Watt	16.09
250 Watt	17.32
400 Watt	20.13
400 Watt on State of Ky. Pole	20.13
<u>High Pressure Sodium Vapor</u>	
70 Watt - Top Mounted	\$11.49
100 Watt - Top Mounted	11.92
150 Watt - Top Mounted	17.62
150 Watt	20.65
250 Watt	21.84
250 Watt on State of Ky. Pole	21.84
400 Watt	23.32
1000 Watt	54.27

Date of Issue: December 29, 2003

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Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

ELECTRIC RATE SCHEDULE PSL
Public Street Lighting Service

<u>Decorative Lighting Service</u>	<u>Rate Per Month Per Unit</u>
<u>Fixtures</u>	
<u>Acorn with Decorative Basket</u>	
70 Watt High Pressure Sodium	\$15.86
100 Watt High Pressure Sodium	16.50
<u>8-Sided Coach</u>	
70 Watt High Pressure Sodium	16.07
100 Watt High Pressure Sodium	16.69
<u>Poles</u>	
10' Smooth	9.50
10' Fluted	11.35
<u>Bases</u>	
Old Town/Manchester	3.05
Chesapeake/Franklin	3.26
Jefferson/Westchester	3.26
Norfolk/Essex	3.48

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Surcharge	Sheet No. 71
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Merger Surcredit Rider	Sheet No. 73
Earnings Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

SPECIAL TERMS AND CONDITIONS

- Overhead Service. The above rates contemplate installation on an existing pole in Company's system. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.
- Underground Service. In all areas other than the downtown section of the City of Louisville designated by City ordinance as an underground district, the Company will provide a normal installation consisting of a direct buried cable connection of not more than 200 feet per unit. If additional facilities or expenditures are required, including any additional cost to break pavement or remove rock, the customer shall make a non-refundable cash advance equivalent to the excess costs. Company may decline to install equipment and provide service thereto in locations deemed by Company unsuitable for underground installation.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

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ELECTRIC RATE SCHEDULE PSL
Public Street Lighting Service

Within the aforesaid City of Louisville underground district, the Company will provide underground facilities in accordance with sound engineering practices.

3. **DECORATIVE LIGHTING SERVICE.** The monthly rates for Decorative Lighting are calculated as the sum of the rates for the individual elements of the customized light. For example, the monthly rate will be calculated as the sum of the rates for the chosen fixture style and wattage, the chosen pole style, and the chosen base style, if one is chosen. This provides flexibility for the Company to meet the individual desires of each Decorative Lighting customer.
4. Company will furnish and install the complete lighting unit. All lighting units, including poles, standards and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service.
5. Customer shall be responsible for any permit or authorization that may be required for the installation of the lighting units at the specified locations.
6. Company may decline to install equipment and provide service thereto in locations where, in Company's judgment, such equipment will be subject to unusual hazards or risk of damage.
7. Contracts for this service shall have a minimum fixed term of five years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for nonpayment of bill or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
8. Nothing herein shall prevent Company and Customer from taking into account unusual circumstances and agreeing on modifications of the above rates commensurate with such circumstances, provided such agreement are duly filed with and made subject to the jurisdiction of the Public Service Commission of Kentucky.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Louisville Gas and Electric Company

Original Sheet No. 37
P.S.C. of Ky. Electric No. 13

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ELECTRIC RATE SCHEDULE	LS
Lighting Service	

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To any customer who can be served in accordance with the special terms and conditions set forth herein and who is willing to contract for service in accordance with such special terms and conditions.

CHARACTER OF SERVICE

This rate schedule covers electric lighting service to outdoor equipment for the illumination of streets, driveways, yards, lots and other outdoor areas. Company will provide, own and maintain the lighting equipment, as hereinafter described, and will furnish the electrical energy to operate such equipment. Service under this rate will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4000 hours per year, and only to the types of lighting units specified herein.

RATES

UNDERGROUND SERVICE

Type Of Fixture	Lumen Output (Approximate)	Load/Light In KW	Monthly Rate Per Light
<u>High Pressure Sodium</u>			
4 Sided Colonial	6,300	.110	15.54
4 Sided Colonial	9,500	.145	16.05
4 Sided Colonial	16,000	.200	17.01
Acorn	6,300	.110	15.88
Acorn	9,500	.145	17.85
Acorn (Bronze Pole)	9,500	.145	18.74
Acorn	16,000	.200	18.80
Acorn (Bronze Pole)	16,000	.200	19.62
Contemporary	16,000	.200	24.18
Contemporary	28,500	.312	26.61
Contemporary	50,000	.495	29.95
Cobra Head	16,000	.200	21.10
Cobra Head	28,500	.312	22.80
Cobra Head	50,000	.495	26.18
* London (10' Smooth Pole)	6,300	.110	27.18
* London (10' Fluted Pole)	6,300	.110	28.89
* London (10' Smooth Pole)	9,500	.145	27.84
* London (10' Fluted Pole)	9,500	.145	29.56
* Victorian (10' Smooth Pole)	6,300	.110	26.34
* Victorian (10' Fluted Pole)	6,300	.110	28.06
* Victorian (10' Smooth Pole)	9,500	.145	26.91
* Victorian (10' Fluted Pole)	9,500	.145	28.62

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 37.1
P.S.C. of Ky. Electric No. 13

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ELECTRIC RATE SCHEDULE LS Lighting Service

*** Bases Available:**

Old Town / Manchester			2.53
Chesapeake / Franklin			2.53
Jefferson / Westchester			2.53
Norfolk / Essex			2.69

Mercury Vapor

4 Sided Colonial	4,000	.124	15.60
4 Sided Colonial	8,000	.210	17.05
Cobra Head	8,000	.210	21.09
Cobra Head	13,000	.298	22.43
Cobra Head	25,000	.462	25.26

Based on lighting choice, Company will furnish and insall the lighting unit complete with lamp, fixture or luminaire, control device, mast arm (cobra head) and pole.

The above rates for underground service contemplate a normal installation served from underground lines located in the streets, with a direct buried cable connection of not more than 200 feet per unit in those localities supplied with electric service through underground distribution facilities. If additional facilities are required, the customer shall make non-refundable cash advance equivalent to the installed cost of such excess facilities. The Company may provide underground lighting service in localities otherwise served through overhead facilities when, in its hereto in locations deemed by the Company as unsuitable for underground installation.

OVERHEAD SERVICE

Type Of <u>Fixture</u>	Lumen Output <u>(Approximate)</u>	Load/Light <u>In KW</u>	Monthly Rate <u>Per Light</u>
<u>High Pressure Sodium</u>			
Cobra Head	16,000	.200	9.16
Cobra Head	28,500	.312	10.86
Cobra Head	50,000	.495	14.24
Directional Flood	16,000	.200	10.60
Directional Flood	50,000	.495	15.11
Open Bottom	9,500	.145	8.01
<u>Mercury Vapor</u>			
Cobra Head	8,000	.210	9.15
Cobra Head	13,000	.298	10.49
Cobra Head	25,000	.462	13.32

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Louisville, Kentucky

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ELECTRIC RATE SCHEDULE		LS																	
Lighting Service																			
Directional Flood	25,000	.462	14.69																
Open Bottom	8,000	.210	8.89																
<p>Based on lighting choice, Company will furnish and install the lighting unit complete with lamp, fixture or luminaire, control device and mast arm (cobra head).</p> <p>The above rates for overhead service contemplate installation on an existing wood pole. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit, the customer to pay an additional charge of \$9.79 per month for each such pole so installed. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.</p>																			
<p>ADJUSTMENT CLAUSES</p> <p>The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:</p> <table> <tr> <td>Fuel Adjustment Clause</td> <td>Sheet No. 70</td> </tr> <tr> <td>Demand-Side Management Surcharge</td> <td>Sheet No. 71</td> </tr> <tr> <td>Environmental Cost Recovery Surcharge</td> <td>Sheet No. 72</td> </tr> <tr> <td>Merger Surcredit Rider</td> <td>Sheet No. 73</td> </tr> <tr> <td>Earnings Sharing Mechanism</td> <td>Sheet No. 74</td> </tr> <tr> <td>Value Delivery Surcredit Rider</td> <td>Sheet No. 75</td> </tr> <tr> <td>Franchise Fee Rider</td> <td>Sheet No. 76</td> </tr> <tr> <td>School Tax</td> <td>Sheet No. 77</td> </tr> </table>				Fuel Adjustment Clause	Sheet No. 70	Demand-Side Management Surcharge	Sheet No. 71	Environmental Cost Recovery Surcharge	Sheet No. 72	Merger Surcredit Rider	Sheet No. 73	Earnings Sharing Mechanism	Sheet No. 74	Value Delivery Surcredit Rider	Sheet No. 75	Franchise Fee Rider	Sheet No. 76	School Tax	Sheet No. 77
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Value Delivery Surcredit Rider	Sheet No. 75																		
Franchise Fee Rider	Sheet No. 76																		
School Tax	Sheet No. 77																		
<p>SPECIAL TERMS AND CONDITIONS</p> <ol style="list-style-type: none"> All lighting units, poles and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service. If any permit is required from municipal or other governmental authority with respect to the installation and use of any of the lighting units served hereunder, it will be the responsibility of the customer to obtain such permit. All servicing and maintenance will be performed only during regular schedule working hours of the Company. The customer shall be responsible for reporting outages and other operating faults, and the Company will undertake to service the lighting equipment within 48 hours after such notification by the customer. The customer will exercise proper care to protect the property of Company on his premises, and in the event of loss or damage to Company's property arising from the negligence of the customer, the cost of the necessary repair or replacement shall be paid by the customer. 																			

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**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE

LS

Lighting Service

Company may decline to install equipment and provide service thereto in locations where, in Company's judgment, such equipment will be subject to unusual hazards or risk of damage.

5. Contracts for this service shall have a minimum fixed term of five years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for non-payment of bills or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
6. Before agreeing to install lighting units Company may require reasonable assurance that the interest of the applicant for service will continue for a minimum fixed contract term or that the service will be continued by another party after the interest of the original applicant has terminated.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RATE SCHEDULE

SLE

Street Lighting Energy Rate

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions or agencies of the state or Federal governments, civic associations, and other public or quasi-public agencies for service to public street and highway lighting systems, where the municipality or other agency owns and maintains all street lighting equipment and other facilities on its side of the point of delivery of the energy supplied hereunder.

RATE

4.125¢ per kilowatt-hour.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Surcharge	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earnings Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

CONDITIONS OF DELIVERY

1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption taking into account the types of equipment served.
2. The location of the point of delivery of the energy supplied hereunder and the voltage at which such delivery is effected shall be mutually agreed upon by Company and the customer in consideration of the type and size of customer's street lighting system and the voltage which Company has available for delivery.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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ELECTRIC RATE SCHEDULE **TLE**
Traffic Lighting Energy Rate

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions of the state or Federal governments or any other governmental agency for service to traffic signals or other traffic lights which operate on a 24-hour all-day every-day basis, where the governmental agency owns and maintains all equipment on its side of the point of delivery of the energy supplied hereunder. In the application of this rate each point of delivery will be considered as a separate customer.

RATE

Customer Charge: \$2.73 per meter per month
5.120¢ per kilowatt-hour.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 70
Demand-Side Management Surcharge	Sheet No. 71
Environmental Cost Recovery Surcharge	Sheet No. 72
Merger Surcredit Rider	Sheet No. 73
Earnings Sharing Mechanism	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
Franchise Fee Rider	Sheet No. 76
School Tax	Sheet No. 77

MINIMUM CHARGE

The customer charge.

CONDITIONS OF SERVICE

1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption, taking into account the size and characteristics of the load, or on meter readings obtained from a similar installation.
2. The location of each point of delivery of energy supplied hereunder shall be mutually agreed upon by Company and the customer.
3. Traffic lights not operated on an all-day every-day basis will be served under General Service Rate GS.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE

This rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy only from the owner of qualifying cogeneration or small power production facilities of 100 KW or less (such owner being hereafter called "Seller") installed on Seller's property to provide all or part of its requirements of electrical energy, or from which facilities Seller may elect to sell to Company all or part of such output of electrical energy.

Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under Parallel Operation.

Company will purchase such energy from Seller at the Rate, A or B, set out below and selected as hereafter provided, and under the terms and conditions stated herein. Company reserves the right to change the said Rates, upon proper filing with and acceptance by the jurisdictional Commission.

RATE A: TIME-DIFFERENTIATED RATE

- 1. For summer billing months of June, July, August and September, during the hours 9:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 1.843 cents per KWH.
- 2. For winter billing months of December, January and February, during the hours 7:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 1.683 cents per KWH.
- 3. During all other hours (off-peak hours) 1.515 cents per KWH.

Determination of On-Peak and Off-Peak Hours: On-peak hours are defined as the hours of 9:01 A.M. through 10:00 P.M., E.D.T. (8:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 1 above), and the hours of 7:01 A.M. through 10:00 P.M., E.D.T. (6:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 2 above). Off-peak hours are defined as all hours other than those listed as on-peak (under 3 above). Company reserves the right to change the hours designated as on-peak from time to time as conditions indicate to be appropriate.

RATE B: NON-TIME-DIFFERENTIATED RATE

For all KWH purchased by Company, 1.575 cents per KWH

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Louisville, Kentucky

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SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

SELECTION OF RATE AND METERING

Subject to provisions hereafter in this Section relative to payment of costs of metering equipment, either Seller or Company may select Rate A, the Time-Differentiated Rate, for application to Company's said purchases of energy from Seller. If neither Seller nor Company selects Rate A, then Rate B, the Non-Time-Differentiated Rate, shall apply.

If neither Seller nor Company selects Rate A, and Rate B therefore is to apply to such purchases, Company, at Seller's cost, will install, own and operate a non-time-differentiated meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system. Such meter will be tested at intervals prescribed by Commission Regulation, with Seller having a right to witness all such tests; and Seller will pay to Company its fixed cost on such meter and equipment, expense of such periodic tests of the meter and any other expenses (all such costs and expenses, together, being hereafter called "costs of non-time-differentiated metering").

If either Seller or Company selects Rate A to apply to Company's said purchases of energy from Seller, the party (Seller or Company) so selecting Rate A shall pay (a) the cost of a time-differentiated recording meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system, required for the application of Rate A, in excess of (b) the costs of non-time-differentiated metering which shall continue to be paid by Seller.

In addition to metering referred to above, Company at its option and cost may install, own and operate, on Seller's generator, a recording meter to record the capacity, energy and reactive output of such generator at specified time intervals.

Company shall have access to all such meters at reasonable times during Seller's normal business hours, and shall regularly provide to Seller copies of all information provided by such meters.

DUE DATE OF BILL

Any payment due from Company to Seller will be due within 15 days from date of Company's reading of meter; provided, however, that, if Seller is a customer of Company, in lieu of such payment Company may offset its payment due to Seller hereunder, against Seller's next bill and payment due to Company for Company's service to Seller as customer.

PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

Date of Issue: December 29, 2003

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**Michael S. Beer, Vice President
Louisville, Kentucky**

SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

1. Prior to installation in Seller's system of any generator and associated facilities which are intended to be interconnected and operated in parallel with Company's system, or prior to the inter-connection to Company's system of any such generator and associated facilities already installed in Seller's system, Seller will provide to Company plans for such generator and facilities. Company may, but shall have no obligation to, examine such plans and disapprove them in whole or in part, to the extent Company believes that such plans and proposed facilities will not adequately assure the safety of Company's facilities or system. Seller acknowledges and agrees that the sole purpose of any Company examination of such plans is the satisfaction of Company's interest in the safety of Company's own facilities and system, and that Company shall have no responsibility of any kind to Seller or to any other party in connection with any such examination. If Seller thereafter proposes any change from such plans submitted to Company, prior to the implementation thereof Seller will provide to Company new plans setting out such proposed change(s).
2. Seller will own, install, operate and maintain all generating facilities on its plant site, such facilities to include, but not be limited to, (a) protective equipment between the systems of Seller and Company and (b) necessary control equipment to synchronize frequency and voltage between such two systems. Seller's voltage at the point of interconnection will be the same as Company's system voltage. Suitable circuit breakers or similar equipment, as specified by Company, will be furnished by Seller at a location designated by Company to enable the separation or disconnection of the two electrical systems. Except in emergencies, the circuit breakers, or similar equipment, will be operated only by, or at the express direction of, Company personnel and will be accessible to Company at all times. In addition, a circuit breaker or similar equipment shall be furnished and installed by Seller to separate or disconnect Seller's generator.
3. Seller will be responsible for operating the generator and all facilities owned by Seller, except as hereafter specified. Seller will maintain its system in synchronization with Company's system.
4. Seller will (a) pay Company for all damage to Company's equipment, facilities or system, and (b) save and hold Company harmless from all claims, demands and liabilities of every kind and nature for injury or damage to, or death of, persons and/or property of others, including costs and expenses of defending against the same, arising in any manner in connection with Seller's generator, equipment, facilities or system or the operation thereof.

Seller will construct any additional facilities, in addition to generating and associated (interface) facilities, required for interconnection unless Company and Seller agree to Company's constructing such facilities, at Seller's expense, where Seller is not a customer of Company. When Seller is a customer of Company and Company is required to construct facilities different than otherwise required to permit interconnection, Seller shall pay such additional cost of facilities. Seller agrees to reimburse Company, at the time of installation, or, if agreed to by both parties, over a period of up to three years, for any facilities including any hereafter required (but exclusive of metering equipment, elsewhere herein provided for) constructed by Company to permit Seller to operate interconnected with Company's system. When interconnection costs are repaid over a period of time, such payments will be made monthly and include interest on the unpaid balance at the percentage rate equal to the capital costs that the Company would experience at such time by new financing, based on Company's then existing capital structure, with return on equity to be at the rate allowed in Company's immediately preceding rate case.

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Michael S. Beer, Vice President
Louisville, Kentucky

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SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

6. Company will have the continuing right to inspect and approve Seller's facilities, described herein, and to request and witness any tests necessary to determine that such facilities are installed and operating properly; but Company will have no obligation to inspect or approve facilities, or to request or witness tests; and Company will not in any manner be responsible for Seller's facilities or any operation thereof.
7. Seller assumes all responsibility for the electric service upon Seller's premises at and from the point of any delivery or flow of electricity from Company, and for the wires and equipment used in connection therewith; and Seller will protect and save Company harmless from all claims for injury or damage to persons or property, including but not limited to property of Seller, occurring on or about Seller's premises or at and from the point of delivery or flow of electricity from Company, occasioned by such electricity or said wires and equipment, except where said injury or damage is proved to have been caused solely by the negligence of Company.
8. Each, Seller and Company, will designate one or more Operating Representatives for the purpose of contacts and communications between the parties concerning operations of the two systems.
9. Seller will notify Company's Energy Control Center at Dix Dam prior to each occasion of Seller's generator being brought into or (except in cases of emergencies) taken out of operation.
10. Company reserves the right to curtail a purchase from Seller when:
 - (a) the purchase will result in costs to Company greater than would occur if the purchase were not made but instead Company, itself, generated an equivalent amount of energy; or
 - (b) Company has a system emergency and purchases would (or could) contribute to such emergency.

Seller will be notified of each curtailment.

TERMS AND CONDITIONS

Except as provided herein, conditions or operations will be as provided in Company's Terms and Condition

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LQF

Large Capacity Cogeneration and Small Power Production Qualifying Facilities

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to any small power production or cogeneration "qualifying facility" with capacity over 100 KW as defined by the Kentucky Public Service Commission Regulation 807 KAR 5:054, and which contracts to sell energy or capacity or both to the Company.

RATES FOR PURCHASES FROM QUALIFYING FACILITIES

ENERGY COMPONENT PAYMENTS

The hourly avoided energy cost (AEC) in \$ per MWh, which is payable to a QF for delivery of energy, shall be equal to the Company's actual variable fuel expenses, for Company-owned coal and natural gas-fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to $[AEC \times E_{QF}]$, where E_{QF} is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering.

CAPACITY COMPONENT PAYMENTS

The hourly avoided capacity cost (ACC) in \$ per MWh, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to the Company from the inter-utility market (which includes both energy and capacity charges) less the Company's actual variable fuel expense (AEC). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to $[ACC \times CAP_i]$, where CAP_i , the capacity delivered by the QF, is determined on the basis of the system demand (D_i) and the Company's need for capacity in that hour to adequately serve the load.

DETERMINATION OF CAP_i

For the following determination of CAP_i , $C_{LG\&E}$ represents the Company's installed or previously arranged capacity at the time a QF signs a contract to deliver capacity; C_{QF} represents the actual capacity provided by a QF, but no more than the contracted capacity; and C_M represents capacity purchased from the inter-utility market.

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LQF

Large Capacity Cogeneration and Small Power Production Qualifying Facilities

1. System demand is less than or equal to the Company's capacity:

$$D_i \leq C_{LG\&E}; \text{ CAP}_i = 0$$

2. System demand is greater than the Company's capacity but less than or equal to the total of the Company's capacity and the capacity provided by a QF:

$$C_{LG\&E} < D_i \leq [C_{LG\&E} + C_{QF}]; \text{ CAP}_i = C_M$$

3. System demand is greater than the total of the Company's capacity and the capacity provided by a QF:

$$D_i > [C_{LG\&E} + C_{QF}]; \text{ CAP}_i = C_{QF}$$

PAYMENT

The Company shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within 15 days of the date the bill is rendered. In lieu of such payment plan, the Company will, upon written request, credit the Customer's account for such purchases.

TERM OF CONTRACT

For contracts which cover the purchase of energy only, the term shall be one year, and shall be self-renewing from year-to-year thereafter, unless cancelled by either party on one year's written notice.

For contracts which cover the purchase of capacity and energy, the term shall be 5 years.

TERMS AND CONDITIONS

1. Qualifying facilities shall be required to pay for any additional interconnection costs, to the extent that such costs are in excess of those that the Company would have incurred if the qualifying facility's output had not been purchased.
2. A qualifying facility operating in parallel with the Company must demonstrate that its equipment is designed, installed, and operated in a manner that insures safe and reliable interconnected operation. A qualifying facility should contact the Company for assistance in this regard.
3. The purchasing, supplying and billing for service, and all conditions applying hereto, shall be specified in the contract executed by the parties, and are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Terms and Conditions currently in effect, as filed with the Commission.

CTAC

Cable Television Attachment Charges

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to any established and properly franchised operator of a cable television system (herein called Customer) who applies for the right to make cable attachments to Company's poles in accordance with the terms and conditions herein set forth. Any entitlement acquired by a Customer here- under shall not be exclusive and shall be subject to existing rights and privileges acquired by other public utilities or entities making lawful use of Company's poles.

APPLICABILITY OF PSC OF KY. ORDER (CASE NO. 251)

This rate schedule is issued pursuant to an Order of the Public Service Commission of Kentucky dated September 17, 1982, in Administrative Case No. 251 (hereinafter called "Order 251"), and an Order in Administrative Case No. 251-26, dated May 31, 1983. Order 251 specifies, inter alia, the formula to be used in arriving at the charges to be made for the service provided herein. Company shall have the right to file with the Commission revisions of this rate schedule, including revisions of the charges for service, any such filing to be made in accordance with law and the rules of the Commission.

ATTACHMENT CHARGES

For each attachment to a pole on which three parties have attachments	38 cents per month
For each attachment to a pole on which two parties have attachments	53 cents per month

PAYMENT OF CHARGES

Charges will be billed monthly. Charges applicable to attachments made or reserved during any calendar month will be billed for the full month and will not be prorated for portions of a month. Likewise, any attachments removed during any month will be credited for the full month in which such removal occurred. All payments will be due within thirty days from date of bill.

PENALTY FOR UNAUTHORIZED ATTACHMENTS

If and when Company determines that Customer has made attachments to Company's poles without prior authorization, Company will make a charge of twice the charge otherwise payable, for the period from the date of such attachment to the billing date. If make-ready costs are involved in connection with such unauthorized attachments, Company will bill such make-ready charges at twice the amount otherwise payable.

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CTAC

Cable Television Attachment Charges

TERMS AND CONDITIONS

1. Customer shall secure any right, license or permit from any governmental body, authority or other person or persons which may be required for the construction or maintenance of its facilities. Nothing herein shall be deemed or construed to constitute a grant of any easement, right-of-way, or franchise by Company or any other party. Company does not warrant that any of its easements, rights-of-way, or franchises provide for the construction and maintenance of Customer's facilities. Customer shall erect, construct, attach and maintain its facilities solely at its risk and Company, by the granting of rights and privileges hereunder, does not assume any obligation or liability for the adequacy of Customer's easements, rights-of-way or franchises. Customer shall indemnify and save harmless Company from any and all claims, including the expenses incurred by Company to defend itself against such claims, resulting from or arising out of the failure of Customer to secure such right, license, permit or easement for the construction or maintenance of said facilities.
2. If Customer has not already done so prior to the effective date of this rate schedule, Customer shall furnish to Company, in a form suitable to Company, four copies of a map of the appropriate county in Kentucky or portion thereof upon which Customer shall indicate the general area in which it plans to install or has already installed cable television facilities. Such map shall be revised from time to time by Customer and furnished in the same number of copies to Company before Customer extends its system into additional areas within Company's service area.
3. Customer shall make written application for permission to install attachments on any pole of Company, specifying the location of each pole, the character of its proposed attachments and the amount and location of space desired. As soon thereafter as practicable, Company shall notify Customer in writing whether or not it is willing to permit an attachment to such pole "as is" or whether the Customer and Company shall determine by mutual agreement after a "walk through" (or other mutually agreeable method) by representatives of both parties the reasonable cost for make-ready adjustments or other appropriate work on poles (including replacement). All rights granted to Customer under this rate schedule shall be subject to the prior rights of the South Central Bell Telephone Company, and any other prior licensees, their successors or assigns.
4. All attachments are to be placed on poles of Company in a manner satisfactory to Company and so as not to interfere with the present or any future use which Company may desire to make of said poles or attachments thereto. Company will furnish Customer with a drawing showing the general arrangement and location of Customer's attachments that is satisfactory to the Company. All attachments shall be installed and at all times maintained by Customer so as to comply at least with the minimum requirements of the National Electric Safety Code, regulations of the Kentucky Public Service Commission and any other applicable regulations or codes promulgated by state, local or other governmental authority having jurisdiction. Customer shall take any necessary precautions, by the installation of protective equipment or other means, to protect all persons and property of all kinds against injury or damage occurring by reason of Customer's attachments on Company's poles. Customer shall install, maintain and remove its equipment in such manner, and employ such methods and procedures, as to make it unnecessary for Company to de-energize any of its electric lines or facilities, and Company shall have no obligation to so de-energize its facilities for the present or future use of its poles and equipment and of any interference therewith.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

CTAC

Cable Television Attachment Charges

5. In any case where Company deems it necessary to install a new pole to accommodate Customer's attachments and the new pole is to be taller or stronger than considered by Company to be necessary to accommodate the attachments of Company and of its other licensees, the "make-ready" cost of such extra height or strength shall be paid to Company by Customer. Such cost shall be a sum equal to the Company's estimate of the difference between the cost in place of the new pole and the current cost in place of a pole considered by Company to be adequate for the attachments of Company and of its licensees. The aforesaid payment shall be made whether the new pole is an initial installation or replacement of an existing pole. The new pole shall be the property of Company regardless of any payments by Customer toward its cost and Customer shall acquire no right, title or interest in and to such pole.

6. Where a new pole is erected hereunder (including the replacement of an existing pole) solely to adequately provide for the attachments Customer proposes to place on the new pole, Customer shall pay Company a sum equal to the actual cost of the new pole in place, plus the cost of removal of the existing pole, if any, minus the salvage value of the removed pole. Customer shall also pay to the Company and the respective existing licensees the cost of removing all attachments from the pole and reestablishing the same or like attachments on the newly installed pole, with appropriate salvage credit allowance for any attachments which are not reused in such replacement, and the cost of installing any new or additional attachments required solely because of the erection of such new pole. The new pole shall be the property of Company regardless of any payments by Customer toward its cost and Customer shall acquire no right, title or interest in and to such pole.

7. Prior to any strand construction or attachment, Customer shall install appropriate guys and anchors of a type approved by Company in those instances when proper construction requires the same. Customer shall obtain appropriate easements or rights-of-way from appropriate property owners for such equipment and for any other facilities of Customer.

8. If Customer's desired attachments can be accommodated on existing poles of Company by rearrangement of facilities of Company and of other licensees thereon and should it be necessary for Company to rearrange its facilities on existing poles of others in order to accommodate Customer's desired attachments, such rearrangement shall be made and Customer shall, on demand, reimburse Company for any expense incurred by it in transferring or rearranging said facilities. Any additional guying required by reason of such rearrangements shall be provided by or at the expense of Customer and to the satisfaction of Company.

9. Customer will obtain and maintain at all times during the use of Company's poles hereunder policies of insurance or a bond at Customer's option (with waiver of subrogation endorsement and contractual rider) with Company named as an additional primary insured as follows:

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- (a) Public liability insurance or a bond in an amount not less than \$300,000 for any one occurrence.
- (b) Property damage liability insurance or a bond in an amount not less than \$100,000 for any one occurrence.
- (c) In addition, Customer shall carry catastrophe or excess liability insurance or a bond covering the foregoing perils in an amount not less than \$5,000,000 for any one occurrence.
- (d) Each such policy or a bond shall contain a contractual rider covering liability assumed by the Customer under the indemnity agreement set forth immediately below.

Whether or not a policy of insurance or a bond is in effect, Customer will indemnify, hold harmless, and defend Company from and against any and all actions or causes of actions, claims, demands, liabilities, loss, damage or expense of whatever kind and nature, including payments made under any workmen's compensation law or under any plan for employees' disability and death benefits, and attorneys' fees, which Company may suffer or incur by reason of bodily injury, including death, to any person or persons, or by reason of damage to or destruction of any property, including the loss of use thereof, arising out of or in any manner connected with the facilities of Customer to be installed hereunder including, but not limited to, the installation, maintenance, operation or removal thereof, or at any other time, or which Company may sustain or incur in connection with any litigation, investigation, or other expenditures incident thereto, including any suit instituted to enforce the obligation of this agreement of indemnity, due in whole or in part to any act, omission, or negligence of Customer or joint fault of Company and Customer and their representatives, employees or contractors (except insofar as such indemnity arising out of any acts or omissions of such representatives or employees may be found to be contrary to law, in which case this provision for indemnity shall in all other respects be and remain effective and binding). The amount of such indemnity shall be covered under the insurance policy or bond and shall not be less than the limits set forth in Items (a), (b) and (c) above. Before Customer shall become entitled to any rights under this rate schedule and prior to making attachments to Company's poles, Customer shall furnish to Company a copy of each of its aforesaid insurance policies, or bond, from an insurance carrier(s) acceptable to Company, and a certificate(s) from said carrier(s) or bonding company stating that policies of insurance have been issued by it to Customer providing for the insurance or bond coverage listed above and that such policies are in force. Such certificate shall state that the insurance carrier or bonding company will give Company fifteen days' prior written notice of any cancellation of or material change in such policies. The certificate shall also quote in full the agreements of indemnity set forth herein and in Paragraphs 4, 18 and 21 of this "Terms and Conditions" section as evidence of the type of contractual liability coverage furnished. If such certificate recites that it is subject to any exceptions contained in the policy or policies of insurance, such exceptions shall be stated in full in said certificate and Company may, at its discretion, require Customer before starting work to obtain policies of insurance which are not subject to any exceptions which Company finds objectionable.

- 10. Under no circumstances shall Customer, its employees or contractors or subcontractors, disturb, tamper with or contact any of Company's equipment, other than poles. Extra precautions shall be taken to avoid contact with Company's lines, wires and transformers, whether or not they appear to be energized.

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Cable Television Attachment Charges

11. Company reserves the right to, but shall not be obligated to, inspect each new installation of Customer on its poles or on poles other to which its facilities are attached and to make periodic inspections, semi-annually or more often as conditions may warrant. Company's right to make such inspections and any inspection made pursuant to such right shall not relieve Customer of any responsibility, obligation or liability assumed under this rate schedule.
12. If the Company finds substandard installations by the Customer, the Company may give to Customer a period of time, not to exceed ten days, to make such adjustments at its own expense, or Company, at its option, may make said corrections and charge the Customer the cost of correcting such installations.
13. In the event that the Company finds it necessary or appropriate to change its poles or attachments for reasons unrelated to Customer's operations, the Customer shall be given notice of the change (e.g., relocation to another pole) and the Customer shall make the necessary adjustment at its expense within 30 days. If Customer fails to make said adjustments within the prescribed time, Company may make said changes, notwithstanding the presence of Customer's facilities and may, if necessary, separate or otherwise remove Customer's cables or equipment.
14. Whenever Company notifies Customer in writing that the attachments of Customer interfere with the operation of equipment of Company or other licensee, or constitute a hazard to the service rendered by Company or other licensee, or fail to comply with the codes or regulations hereinbefore referred to, Customer shall within ten days after the date of such notice remove, rearrange, or change its attachments as directed by Company. In case of emergency, Company reserves the right to remove, separate, or relocate the attachments of Customer at Customer's expense.
15. Upon thirty days' written notice to Customer, Company may discontinue the use of, remove, replace or change the location of any or all of its poles or attachments regardless of any occupancy of Company's poles by Customer or Customer shall at its sole cost, within ten days after such notice by Company, make such changes in, remove or transfer its attachments as shall be required by such action of Company.
16. Customer may at any time abandon the use of a Company pole by removing therefrom all of its attachments and by giving written notice thereof to Company.
17. Unless otherwise mutually agreed, electric service for television amplifiers of Customer shall be supplied from the lines of Company in the manner shown on a standardized sketch, which Company will supply to Customer on request, and shall be served and billed at Company's applicable rate for electric service.

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18. Customer shall release Company from any and all liability for loss of or damage to the facilities of Customer and for any interruption to or failure of the service rendered by Customer with respect to which such facilities are used, unless the loss, damage or interruption was caused by the sole negligence of Company. Customer shall indemnify, hold harmless, and defend Company from and against any and all loss, damage, cost or expense which Company may suffer or for which Company may be held liable because of interference with television reception of said subscribers or others, arising out of or in any manner connected with the attachment, operation, and maintenance of the facilities of Customer on the poles of Company under this rate schedule, unless the loss, damage or interruption was caused by the sole negligence of the Company. In the event that any part of this provision for indemnity is found to be contrary to law, all other parts of this provision for indemnity shall remain effective and binding.

19. All costs referred to in Paragraphs 5, 6, 12, 14, 20 and 22 of this "Terms and Conditions" section shall include, in addition to direct costs of material, labor and equipment usage, appropriate allowances for taxes, insurance, fringe benefits and other indirect expenses applicable to labor, stores expense, supervision, engineering, and administrative and general expenses, all to be determined and applied in accordance with Company's standard procedures then in effect and applicable to work it performs for the account of other parties.

20. All costs of every kind incurred by Company in the performance of Company's work necessitated by Customer pursuant to the above conditions shall be billed to Customer and paid in full within 30 days of billing date. The term "all costs" shall include, but not be limited to, the expense of protecting and relocating Company's facilities, and repairing damage caused by Customer to Company's facilities, and the costs of having Company's representatives on each site during construction. To determine "all costs," Company shall for each such project of Customer accumulate cost data through Company's normal cost accumulation procedures.

21. Customer shall furnish bond, in a form and substance satisfactory to Company, in the amount of One Hundred Thousand Dollars (\$100,000.00) to guarantee the performance of the obligations assumed by Customer under the terms of this rate schedule not otherwise covered by the insurance required by Paragraph 9 above (such as, but not limited to, Customer's removal of its facilities at termination hereof or payment of monies due hereunder). Such bond shall be submitted to Company at the time of Customer's application under this rate schedule and prior to Customer's making attachments to Company's poles. In addition, Company, at its discretion, may require Customer, upon written notice and before the undertaking by Company of any subsequent action for the benefit of the Customer, to advance to Company an amount equal to the estimated costs of any work which Company has been authorized to perform, either by reason of an application of Customer of otherwise, plus any amounts then due Company by Customer, or to furnish additional bond, in lieu thereof, in an equal amount. After two years have passed from the date of the initial issuance of Customer's bond hereunder, if Customer has substantially complied with its obligations hereunder, Customer may apply to Company for a reduction of the penal sum of its bond, for the release of the corporate surety thereon, or for other relief—which application shall not be unreasonably denied, provided that no reduction or

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other concession or indulgence with respect to said bond shall release Customer from any underlying obligations.

22. If Customer fails to comply with any of the provisions of this rate schedule or defaults in the performance of any of its obligations under this rate schedule and fails within thirty days after written notice from Company to correct such defaults or noncompliance, Company may, at its option, forthwith terminate the specific permit or permits covering the poles and Customer's attachments to which such default or noncompliance is applicable and remove or rearrange attachments or facilities of Customer at Customer's expense, or Company may require Customer, upon reasonable notice, to remove some, but not all, of Customer's attachments from Company's poles or Company may give Customer written notice to completely remove all of Customer's attachments from Company's poles within 120 days.
23. Customer will instruct or cause to be instructed the persons working on line installation, maintenance or otherwise (whether they be its employees or employees of contractors or subcontractors) on Company's facilities so as to familiarize such persons with the requirements of the National Electric Safety Code. Said persons shall observe the requirements of the National Electric Safety Code, and all equipment installed shall comply therewith.
24. The term "Customer" shall include its employees and agents and its contractors and subcontractors and their employees and agents.
25. Customer shall not assign, transfer or sublet any of the rights hereby acquired without the prior written consent of Company.
26. To the extent they are not in conflict with nor inconsistent with the special provisions of this rate schedule, Company's Terms and Conditions, as filed with the Public Service Commission of Kentucky, shall be applicable to the service rendered hereunder.
27. This rate schedule, and any service rendered pursuant hereto, is subject to Order 251 and to the continuing regulatory jurisdiction of the Public Service Commission of Kentucky.

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Louisville, Kentucky**

Special Charges

The following charges will be applied uniformly throughout the Company's service territory. Each charge, as approved by the Public Service Commission, reflects only that revenue required to meet associated expenses.

RETURNED PAYMENT CHARGE

In those instances where a Customer renders payment to the Company which is not honored upon deposit by the Company, the Customer will be charged \$7.50 to cover the additional processing costs.

METER TEST CHARGE

Where the test of a meter is performed during normal working hours upon the written request of a Customer, pursuant to 807 KAR 5:006, Section 18, and the results show the meter was not more than two percent fast, the Customer will be charged \$31.40 to cover the test and transportation costs.

DISCONNECTING AND RECONNECTING SERVICE CHARGE

A charge of \$23.00 will be made to cover disconnection and reconnection of electric service when discontinued for non-payment of bills or for violation of the Company's Terms and Conditions, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00. No charge will be made for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.

Residential and general service customers may request and be granted a temporary suspension of electric service. In the event of such temporary suspension, Company will make a charge of \$23.00. to cover disconnection and reconnection of electric service, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00.

CHARGE FOR TEMPORARY AND SHORT TERM SERVICE

The customer shall pay the cost of all material, labor and expense incurred by the Company in supplying electric service for any temporary or short term use, in addition to the regular rates for service without pro-rating of rate blocks or minimum bills for service of less than thirty days in a regular meter reading period.

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STANDARD RIDER

CSR

Curtaillable Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rider shall be made available to customers served under the applicable power schedules who contract for not less than 1,000 kilowatts of their total requirements to be subject to curtailment upon notification by the Company.

CONTRACT OPTION

Customer may, at Customer's option, contract with Company to curtail service upon notification by the Company. Requests for curtailment shall not exceed five hundred (500) hours per year nor shall any single request for curtailment be for less than thirty (30) minutes or for more than fourteen (14) hours per calendar day, with unlimited requests for curtailment per calendar day within these parameters. Company may request or cancel a curtailment at any time during an hour, but shall give no less than ten (10) minutes notice when either requesting or canceling a curtailment.

Compliance with a request for curtailment shall be measured in one of the following two ways:

- a) The customer shall contract for a given amount of firm demand, and the curtaillable load shall be the Customer's monthly billing demand in excess of the firm contract. During a request for curtailment, the customer shall reduce its demand to the firm demand designated in the contract. The difference in the maximum demand in the billing month and the maximum demand in any requested curtailment period, but not less than the contracted firm demand, in the billing period shall be the curtaillable demand on which the monthly credit is based. The demand in excess of the firm load during each requested curtailment in the billing period shall be the measure of non-compliance.
- b) The customer shall contract for a given amount of curtaillable load by which the customer shall agree to reduce its demand from the monthly maximum demand. During a request for curtailment, the Customer shall reduce its demand to a level equal to the maximum monthly demand less the curtaillable load designated in the contract. The difference in the maximum demand in the billing month and the maximum demand in any requested curtailment period, but not more than the contracted curtaillable load, in the billing period shall be the curtaillable demand on which the monthly credit is based. The difference in contracted curtaillable load and the actual curtailed load during each requested curtailment in the billing period shall be the measure of non-compliance.
- c) In those months in which the Company does not request load curtailment, the customer will receive a credit based on either the difference in the monthly billing demand and the contracted firm demand, a) above, or the contracted curtaillable demand, b) above

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Louisville, Kentucky**

STANDARD RIDER	CSR	
Curtailable Service		
RATE		
Customer will receive a credit against the applicable power schedule for curtailable KW, as determined in the preceding paragraph, times the applicable credit. Customers will be charged for the portion of each requested curtailment not met at the applicable charge.		
	Primary	Transmission
Demand Credit of:	\$ 4.05 per KW	\$ 3.98 per KW
Non-Compliance Charge of:	\$16.00 per KW	\$16.00 per KW
<u>Failure of Customer to curtail when requested to do so may result in termination of service under this rider</u>		
TERM OF CONTRACT		
The minimum original contract period shall be one year and thereafter until terminated by giving at least 6 months previous written notice, but Company may require that contract be executed for a longer initial term when deemed necessary by the size of the load or other conditions.		
TERMS AND CONDITIONS		
Except as specified above, all other provisions of the power rate to which this schedule is a rider shall apply.		

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Louisville, Kentucky**

STANDARD RIDER

IFL

Rider for Intermittent and Fluctuating Loads

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule applies to all loads having a detrimental effect upon the electric service rendered to other Customers of the Company or upon the Company's facilities.

Where Customer's use of service is intermittent, subject to violent or extraordinary fluctuations, or produces unacceptable levels of harmonic current, in each case as determined by the Company, in its reasonable discretion, the Company reserves the right to require Customer to furnish, at Customer's own expense, suitable equipment (as approved by the Company in its reasonable discretion) to meter and limit such intermittence, fluctuation, or harmonics to the extent reasonably requested by the Company. Without limiting the foregoing, the Company may require such equipment if, at any time, the megavars, harmonics, and other desirable electrical characteristics produced by the Customer exceed the limits set forth in the IEEE standards for such characteristics. In addition, if the Customer's use of the Company's service under this schedule causes such undesirable electrical characteristics in an amount exceeding those IEEE standards, such use shall be deemed to cause a dangerous condition which could subject any person to imminent harm or result in substantial damage to the property of the Company or others, and the Company shall therefore terminate service to the Customer in accordance with 807 KAR 5:056, Section 14(b). Such a termination of service shall not be considered a cancellation of the service agreement or relieve Customer of any minimum billing or other guarantees. The Company shall be held harmless for any damages or economic loss resulting from such termination of service. If requested by the Company, Customer shall provide all available information to the Company that aids the company in enforcing its service standards. If the Company at any time has a reasonable basis for believing that Customer's proposed or existing use of the service provided will not comply with the service standards for interference, fluctuations, or harmonics, the company may engage such experts and/or consultants as the Company shall determine are appropriate to advise the Company in ensuring that such interference, fluctuations, or harmonics are within acceptable standards. Should such experts and/or consultants determine Customer's use of service is unacceptable, Company's use of such experts and/or consultants will be at the Customer's expense.

RATE

1. A contribution in aid of construction or an excess facilities charge shall be required for all special or added facilities, if any, necessary to serve such loads, as provided under the Excess Facilities Rider.
2. Plus the charges provided for under the rate schedule applicable, including any customer charge if applicable, energy charge, maximum load charge (if load charge rate is used), fuel clause and the minimum under such rate adjusted in accordance with (a) or (b) herein.
 - (a) If rate schedule calls for a minimum based on the total KW of connected load, each KVA of such special equipment shall be counted as one KW connected load for minimum billing purposes.
 - (b) If rate schedule calls for a minimum based on the 15-minute integrated load, and such loads operate only intermittently so that the KW registered on a standard 15-minute integrated demand meter is small in comparison to the instantaneous load such equipment is capable of imposing, each KVA of such special equipment shall be counted as one-third KW load for minimum billing purposes.

MINIMUM CHARGE

As determined by this Rider and the Rate Schedule to which it is attached.

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STANDARD RIDER

EF

Excess Facilities

APPLICABILITY

In all territory served.

AVAILABILITY OF SERVICE

This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by the Company. This rider does not apply to line extensions or to other facilities which are necessary to provide basic electric service. The Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where the Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term. Customers currently being served under the Excess Facilities Rider pursuant to Original Sheet No. 15-H and 15-I of LG&E's Tariff P.S.C. of Ky. Electric No. 5, shall continue to be served thereunder.

DEFINITION OF EXCESS FACILITIES

Excess facilities are lines and equipment which are installed in addition to or in substitution for the normal facilities required to render basic electric service. Applications of excess facilities include, but are not limited to, emergency backup feeds, automatic transfer switches, redundant transformer capacity, and duplicate or check meters.

LEASED FACILITIES CHARGE

The customer shall pay for excess facilities through a contribution in aid of construction, which may take the form of a one-time payment or a Carrying Cost Charge based on the original installed cost of the facilities.

Monthly Rates

	Carrying Cost	Operating <u>Expenses</u>
For Distribution Facilities	0.94%	0.68%

The percentage rates are applied to the installed cost of the excess facilities

PAYMENT

The Excess Facilities Charges shall be incorporated with the bill for electric service and will be subject to the same payment provisions.

TERM OF CONTRACT

The initial term of contract to the customer under this schedule shall be not less than 5 years. The term shall continue automatically until terminated by either party upon at least one month's written notice.

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STANDARD RIDER

Kilowatt-Hours Consumed By Street Lighting Units

APPLICABLE

Determination of energy set out below applies to the Company's non-metered lighting rate schedules.

DETERMINATION OF ENERGY CONSUMPTION

The applicable fuel clause charge or credit will be based on the kilowatt-hours calculated by multiplying the kilowatt load of each light times the number of hours that light is in use during the billing month. The kilowatt load of each light is shown in the section titled RATE. The number of hours a light will be in use during a given month is from dusk to dawn as shown in the following Hours Use Table.

HOURS USE TABLE

<u>Month</u>	<u>Hours Light Is In Use</u>
JAN	407
FEB	344
MAR	347
APR	301
MAY	281
JUN	257
JUL	273
AUG	299
SEP	322
OCT	368
NOV	386
DEC	415
TOTAL FOR YEAR	4,000 HRS.



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STANDARD RIDER

Supplemental or Standby Service

APPLICABLE

To Large Commercial Rate LC, Rate LC-TOD, Industrial Power Rate LP, and Rate LP-TOD.

AVAILABILITY OF SERVICE

Available to customers whose premises or equipment are regularly supplied with electric energy from generating facilities other than those of Company and who desire to contract with Company for reserve, breakdown, supplemental or standby service.

RATE

Electric service actually used each month will be charged for in accordance with the provisions of the applicable rate schedule; provided, however, that the bill shall in no case be less than an amount calculated at the rate of \$6.25 per kilowatt applied to the Contract demand.

CONTRACT DEMAND

Contract Demand is defined as the number of kilowatts mutually agreed upon as representing customer's maximum service requirements and contracted for by customer; provided, however, if such number of kilowatts is exceeded by a recorded demand, such recorded demand shall become the new contract demand commencing with the month in which recorded and continuing for the remaining term of the contract or until superseded by a higher recorded demand.

SPECIAL TERMS AND CONDITIONS

- a. In order to protect its equipment from overload damage, Company may required customer to install at his own expense an approved shunt trip type breaker for secondary voltages and an approved automatic pole-mounted disconnect for primary service. Such circuit breakers shall be under the sole control of the Company and will be set by the Company to break the connection with its service in the event customer's demand materially exceeds that contracted for.
- b. Company will provide meter enclosures and furnish, place and maintain necessary suitable meters for measurement of service rendered hereunder. Customer will be responsible for installing and wiring the respective meter enclosures.
- c. Customer will be required at all times to maintain a power factor of not less than 80% lagging.
- d. In the event customer's use of service is intermittent or subject to violent fluctuations, the Company will require customer to install and maintain at his own expense suitable equipment to satisfactorily limit such intermittence or fluctuations.
- e. Customer's generating equipment shall not be operated in parallel with Company's service until the manner of such operation has been approved by Company and is in compliance with Company's operating standards for system reliability and safety.
- f. The minimum contract period shall be one year, but Company may require that a contract be executed for a longer initial term when deemed necessary by the size of load or special conditions.
- g. Such of the Company's general rules and regulations as are not in conflict or inconsistent with the special provisions herein prescribed shall likewise apply to supplemental or standby service.

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Louisville, Kentucky**

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STANDARD RIDER

RC

Redundant Capacity

APPLICABLE

This rate is applicable to customers served under the Company's rate schedules which include a demand charge or a special contract including a demand charge.

AVAILABILITY

Available to Customers requesting the reservation of capacity on the Company's facilities which are shared by other customers. Such facilities represent a redundant delivery to provide electric service to the Customer's facility in the event that an emergency or unusual occurrence renders the Customers principal delivery unavailable for providing service.

RATE:

Capacity Reservation Charge

Secondary Distribution

\$1.43 per Kw per Month

Primary Distribution

\$1.06 per Kw per Month

Applicable to the greater of:

- (1) the highest average load in kilowatts recorded at either the principal distribution feed metering point or at the redundant distribution feed metering point during any 15-minute interval in the monthly billing period,
- (2) 50% of the maximum demand similarly determined for any of the 11 preceding months, or
- (3) the contracted capacity reservation

SPECIAL TERMS AND CONDITIONS:

The minimum contract term shall be five years, but the Company may require that a contract be executed for a longer initial term when deemed necessary by the difficulty and/or high cost associated with providing the redundant feed or other special

ELECTRIC RATE SCHEDULE NMS
Net Metering Service

APPLICABLE

In all territory served by the Company on a trial basis for 36 months from the effective date of March 14, 2002.

AVAILABILITY OF SERVICE

Available to customers who own, operate and maintain a generation system located on customer's premises, that use as its total fuel source solar, wind or hydro energy, in parallel with the Company's electric system to provide all or part of their electrical requirements, and who execute the Company's written Net Metering Program Notification Form. The generation system shall be limited to a maximum capacity of 10 kilowatts for residential customers and 25 kilowatts for non-residential customers. This tariff will be made available on a pilot program basis to the first 25 customers who execute and submit a Net Metering Program Notification Form. To participate in the program, a customer shall begin service during the first two years of the trial.

NOTIFICATION

The customer shall submit a completed Net Metering Program Notification Form to the company at least 30 days prior to the date the customer intends to interconnect his generator to the company's facilities. Customer shall have all equipment necessary to complete the interconnection installed prior to such notification. The company shall have 30 days from the date of notification to determine whether the customer has satisfied the tariff requirements and shall notify customer. The date of notification shall be the third day following the mailing of the Net Metering Program Notification Form by customer. Customer may interconnect his generator thirty-one days after the date of notification, and begin operation unless the company provides notification of non-compliance to the tariff, prior to the 31st day.

METERING AND BILLING

Net Metering Service shall be measured in accordance with standard metering practices by metering equipment capable of measuring (but not necessarily displaying) power flow in both directions. If electricity generated by the customer and fed back to the Company's system exceeds the electricity supplied to the customer from the system during a net metering period, the customer shall receive no compensation from the Company unless the customer has entered into a purchase power contract with the Company. If electricity generated by the customer and fed back to the system exceeds the electricity supplied to the customer from the system during any billing period, resulting in a Billing Period Credit, the customer shall be required to pay only the non-energy charges for that billing period. Any excess net generation by the customer shall be accumulated, carried forward and applied at the first opportunity to any billing periods having positive net consumption. Any accumulated Billing Period Credits remaining unused at the end of a net metering period shall be carried forward into the next net metering period only to the extent that such accumulated Billing Period Credits carried forward do not exceed the net metering customer's positive net consumption for the current net metering period. Net metering service shall be measured using a single meter or, as determined by the Company, additional meters.

LIABILITY INSURANCE

A customer with a generator with a rated capacity not exceeding 10 kilowatts shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least \$100,000 for the liability of the insured against loss arising out of the use of a generator, and for a generator with a rated capacity exceeding 10 kilowatts such coverage shall be in the amount of at least \$300,000.

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Louisville, Kentucky**

ELECTRIC RATE SCHEDULE NMS
Net Metering Service

ADDITIONAL CONTROLS AND TESTS

The company may install additional controls or meters, or conduct additional tests as it may deem necessary.

NET METERING SERVICE INTERCONNECTION GUIDELINES

Customer shall operate their generating facilities in parallel with Company's system under the following conditions and any other conditions required by Company where unusual conditions arise not covered herein:

1. Customer to own, install, and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between customer's and Company's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as the Company's system voltage.
2. Customer will be responsible for operating generators and all facilities owned by customer, except as specified hereinafter. Customer will maintain its system in synchronization with Company's system.
3. Customer will be responsible for any damage done to Company's equipment due to failure of customer's control, safety, or other equipment.
4. The Company at, its discretion, may require a suitable lockable, company accessible, load breaking manual disconnect switch or similar equipment, as specified by Company, to be furnished by *customer* at a location designated by Company to enable the separation or disconnection of the two electrical systems. The load breaking manual disconnect switch must be accessible to the Company at all times.
5. Customer agrees to inform Company of any changes it wishes to make in its generating and/or associated facilities that is different from those initially installed and described to Company in writing and obtain prior approval from Company.
6. Company will have the right to inspect and approve customer's facilities, described herein, and conduct any tests necessary to determine that such facilities are installed and operating properly. However, the Company will have no obligation to inspect, witness tests or in any manner be responsible for customer's facilities or operation.
7. The customer assumes all responsibility for the electric service on the customer's premises at and from the point of delivery of electricity from the Company and for the wires and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the customer's premises or at and from the point of delivery of electricity from the Company, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

ELECTRIC RATE SCHEDULE NMS
Net Metering Service

CONDITIONS OF INTERCONNECTION

A customer may begin operation of his generator on an interconnected basis when all of the following have been satisfied:

1. The customer has properly notified the company of his intent to interconnect by submission of the completed Net Metering Program Notification Form.
2. The net metering customer has installed a lockable, company accessible, load breaking manual disconnect switch, if required.
3. A licensed electrician has certified, by signing the Company Net Metering Program Notification Form, that any required manual disconnect switch has been installed properly and that the generator has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
4. The vendor has certified, by signing the Company Net Metering Program Notification Form, that the generator being installed is in compliance with the requirements established by Underwriters Laboratories, or other national testing laboratories.
5. The customer has had the inverter settings inspected by the company, if the generator is a static inverter-connected generator with an alternating current capacity in excess of 10 kilowatts. The Company may impose a fee on the customer of no more than \$50 for such inspection.
6. For non-static inverter-connected generators, the customer has interconnected according to the Company's interconnection guidelines and the Company has inspected all protective equipment settings. The Company may impose a fee on the customer of no more than \$50 for such inspection.

DEFINITIONS

"Billing period" shall be the time period between the dates on which the Company issues the customer's bills.

"Billing Period Credit" shall be the electricity generated by the customer that flows into the electric system and which exceeds the electricity supplied to the customer from the electric system during any billing period.

"Net metering period" shall be each successive 12-month period beginning with the first meter reading date following the date of final interconnection of the generator with the company's facilities.

TERMS AND CONDITIONS

Except as provided herein, service will be furnished under Company's Terms and Conditions.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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ELECTRIC RATE SCHEDULE NMS
Net Metering Service

Net Metering Program Notification Form

INTERCONNECTION NOTIFICATION

APPLICANT HEREBY GIVES NOTICE OF INTENT TO OPERATE A GENERATING FACILITY.

Section 1. Applicant Information

Name: _____
Mail
Address: _____
City: _____ State: _____ Zip Code: _____
Facility Location (if different from above):

Daytime Phone Number: _____
LG&E Account Number : _____

Section 2. Generating Facility Information

Generator Type (check one): Solar _____, Wind _____, Hydro _____
Generator Manufacturer, Model Name & Number: _____

Power Rating in Kilowatts: AC: _____ DC: _____
Inverter Manufacturer, Model Name & Number: _____

Battery Backup? (yes or no) _____

Section 3. Installation Information

Installation Date: _____ Proposed Interconnection Date: _____

Section 4. Certifications

- The system hardware is listed by Underwriters Laboratories to be in compliance with UL 1741:
Signed (Vendor): _____ Date: _____
Name (printed): _____ Company: _____
Phone Number: _____
- The system has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
Signed (Licensed Electrician): _____ Date: _____
License Number: _____ Phone Number: _____
Mail Address: _____
City: _____ State: _____ Zip Code: _____
- Utility signature signifies only receipt of this form.
Signed (Utility Representative): _____
Date: _____

I hereby certify that, to the best of my knowledge, all of the information provided in this Notice is true and correct.

Signature of Applicant _____

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**Michael S. Beer, Vice President
Louisville, Kentucky**

ELECTRIC RIDER	LRI
Experimental Load Reduction Incentive Rider	
APPLICABLE In all territory served.	
AVAILABILITY OF SERVICE This schedule shall be made available as a rider to any customer served on the Company's standard tariffs, having stand-by generation facilities of at least 500 kW, and agreeing to operate such facilities in accordance with the terms and conditions of this tariff. Service under this schedule is offered on an experimental basis for a period of six years from the effective date of August 1, 2000, for a total maximum contracted load of 10,000 kW.	
RATE Up to \$0.30 per KWH	
TERMS AND CONDITIONS <ol style="list-style-type: none">1) Company will have the option to require Customer to operate Customer's stand-by generation to replace Customer's electric usage. Such period of generation shall not exceed 8 hours in any 24-hour period nor shall the total hours of generation in any 12-month period exceed 300 hours.2) Should Company request Customer to operate Customer's stand-by generation, Company will notify Customer by 12 noon on a day ahead basis.3) Company's request for Customer to operate Customer's stand-by generation will include an offer of a payment per KWH for Customer to operate Customer's stand-by generation.4) Customer is obligated to operate Customer's stand-by generation should Customer accept the Company's offered price.5) Customer's stand-by generation shall not be operated in parallel with Company's system (i.e., such generation shall be connected to circuits which are isolated from Company's system).6) Customer will be responsible for maintaining Customer's stand-by generation, including an adequate fuel supply, to ensure meeting Customer's obligation under this schedule.7) Company will meter the output of Customer's stand-by generation, base the payment for Customer reducing load on the metered output, and provide payment to Customer through a credit to Customer's standard service billing.8) Customer may provide Company with the option to install equipment that will permit Company to remotely start stand-by generation and switch circuits to such generation so that they are isolated from Company's system.9) Company has no obligation to request operation of Customer's stand-by generation nor to provide any credit to Customer without first requesting Customer to provide stand-by generation.	
TERM OF CONTRACT The minimum term of contract shall be for one year and thereafter until terminated by either party giving at least six months written notice. Company may require a longer initial term when deemed necessary. Failure of Customer to operate stand-by generation may result in termination of contract.	

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**Michael S. Beer, Vice President
Louisville, Kentucky**

FAC
Fuel Adjustment Clause

APPLICABLE.

In all territory service.

AVAILABILITY OF SERVICE

This schedule is a mandatory rider to all electric rate schedules.

- (1) The monthly amount computed under each of the rate schedules to which this fuel clause is applicable shall be increased or decreased at a rate per kilowatt-hour of monthly consumption in accordance with the following formula:

$$\text{Adjustment Factor} = F/S - 1.218\text{¢}^*$$

Where F is the expense of fuel in the second preceding month and S is the sales in the second preceding month, as defined below:

- (2) Fuel costs (F) shall be the cost of:
- (a) Fossil fuel consumed in the Company's plants plus the cost of fuel which would have been used in plants suffering forced generation or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute for the forced outages, plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein are such costs as the charges for economy energy purchases and the charges as a result of scheduled outage, all such kinds of energy being purchased by Company to substitute for its own higher cost energy, and less
 - (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
 - (e) All fuel costs shall be based on weighted average inventory costing. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licensees.
 - (f) As used herein, the term "forced outages" means all nonscheduled losses of generation or transmission which require substitute power for a continuous period in excess of six hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot,

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**Michael S. Beer, Vice President
Louisville, Kentucky**

FAC

Fuel Adjustment Clause

insurrection or acts of the public enemy, then the Company may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.

(3) Sales (S) shall be determined in kilowatt-hours as follows:

Add:

- (a) net generation
- (b) purchases
- (c) interchange-in

Subtract:

- (d) inter-system sales including economy energy and other energy sold on an economic dispatch basis
- (e) total system losses

* Pursuant to the Public Service Commission's Order in Case No. 2002-00433 dated April 23, 2003, the Fuel Adjustment Clause will become effective with bills rendered on and after the first billing cycle of May 2003.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

DSMRM

Demand-Side Management Cost Recovery Mechanism

APPLICABLE TO: Residential Rate RS, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD. Customers served under Industrial Power Rate LP and Industrial Power Time-of-Day Rate LP-TOD who elect not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism.

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per kilowatt hour of monthly consumption in accordance with the following formula:

$$\text{DSMRC} = \text{DCR} + \text{DRLS} + \text{DSMI} + \text{DBA}$$

Where: **DCR = DSM COST RECOVERY.** The DCR shall include all expected costs which have been approved by the Commission for each twelve-month period for demand-side management programs which have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program. The cost of approved programs shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DCR for such rate class.

DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff and will be recovered as follows:

For each upcoming twelve-month period, the estimated reduction in customer usage (in KWH) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per KWH for purposes of determining the lost revenue to be recovered hereunder from each customer class. The non-variable revenue requirement for the Residential and General Service customer class is defined as the weighted average price per KWH of expected billings under the energy charges contained in the Rate RS

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**Michael S. Beer, Vice President
Louisville, Kentucky**

DSMRM

Demand-Side Management Cost Recovery Mechanism

and GS rate schedules in the upcoming twelve-month period after deducting the variable costs included in such energy charges. The non-variable revenue requirement for each of the customer classes that are billed under demand and energy rates (Rates LC, LC-TOD, LP and LP-TOD is defined as the weighted average price per KWH represented by the composite of the expected billings under the respective demand and energy charges in the upcoming twelve-month period, after deducting the variable costs included in the energy charges.

The lost revenues for each customer class shall then be divided by the estimated class sales (in KWH) for the upcoming twelve-month period to determine the applicable DRLS surcharge. Recovery of revenue from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case, whichever comes first. Revenues from lost sales will be assigned for recovery purposes to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

DSMI = DSM INCENTIVE. For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs which are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of LG&E's avoided costs over the expected life of the program, and will include both capacity and energy savings. For Energy Education and Direct Load Control Programs, the DSM incentive amount shall be computed by multiplying the annual cost of the approved programs which are to be installed during the upcoming twelve-month period times five (5) percent.

DSMRM

Demand-Side Management Cost Recovery Mechanism

The DSM incentive amount related to programs for Residential Rate RS, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DSMI for such rate class. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

DBA = DSM BALANCE ADJUSTMENT. The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI and previous application of the DBA and the revenues which should have been billed, as follows:

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) For the DBA, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DBA and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest applied to the bill amounts, such interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period. The total of the balance adjustment amounts shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DBA for such rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes to which over- or under-recoveries of DSM amounts were realized.

The filing of modifications to the DSMRC which require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing.

DSMRM

Demand-Side Management Cost Recovery Mechanism

Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

DSMRM

Demand-Side Management Cost Recovery Mechanism

APPLICABLE TO:

Residential Rate RS, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD.

DSM Cost Recovery Component (DSMRC):

<u>Residential Rate RS</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR):	0.074 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.005 ¢/KWH
DSM Incentive (DSMI):	0.003 ¢/KWH
DSM Balance Adjustment (DBA):	(0.011)¢/KWH
 DSMRC Rate RS:	 0.071 ¢/KWH

<u>General Service Rate GS</u>	
DSM Cost Recovery Component (DCR):	0.016 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.005 ¢/KWH
DSM Incentive (DSMI):	0.000 ¢/KWH
DSM Balance Adjustment (DBA):	0.007 ¢/KWH
 DSMRC Rate GS:	 0.028 ¢/KWH

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Louisville, Kentucky**

DSMRM

Demand-Side Management Cost Recovery Mechanism

DSM Cost Recovery Component (DSMRC):

(Continued)

Large Commercial Rate LC

DSM Cost Recovery Component (DCR):	0.007 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.003 ¢/KWH
DSM Incentive (DSMI):	0.000 ¢/KWH
DSM Balance Adjustment (DBA):	0.007 ¢/KWH
 DSMRC Rate LC:	 0.017 ¢/KWH

Large Commercial Time-of-Day Rate LC-TOD

Energy Charge

DSM Cost Recovery Component (DCR):	0.005 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.004 ¢/KWH
DSM Incentive (DSMI):	0.000 ¢/KWH
DSM Balance Adjustment (DBA):	(0.003) ¢/KWH
 DSMRC Rate LC-TOD:	 0.006 ¢/KWH

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Louisville, Kentucky**

DSMRM

Demand-Side Management Cost Recovery Mechanism

DSM Cost Recovery Component (DSMRC):

(Continued)

Industrial Power Rate LP

DSM Cost Recovery Component (DCR):	0.000 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.000 ¢/KWH
DSM Incentive (DSMI):	0.000 ¢/KWH
DSM Balance Adjustment (DBA):	0.000 ¢/KWH
DSMRC Rate LP:	0.000 ¢/KWH

Industrial Power Time-of-Day Rate LP-TOD

DSM Cost Recovery Component (DCR):	0.000 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.000 ¢/KWH
DSM Incentive (DSMI):	0.000 ¢/KWH
DSM Balance Adjustment (DBA):	0.000 ¢/KWH
DSMRC Rate LP-TOD:	0.000 ¢/KWH

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Michael S. Beer, Vice President
Louisville, Kentucky

ECR

Environmental Cost Recovery Surcharge

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To all electric rate schedules

RATE

The monthly billing amount under each of the schedules to which this mechanism is applicable, including the fuel clause, shall be increased or decreased by a percentage factor calculated in accordance with the following formula.

$$\text{Environmental Surcharge Factor} = E(m) / R(m)$$

Where E(m) is the jurisdictional total of each approved environmental compliance plan revenue requirement of environmental compliance costs for the current expense month and R(m) is the revenue for the current expense month as set forth below.

DEFINITIONS

- 1) For the 1995 Plan $E(m) = \{(RB/12) (ROR) + OE -BAS$
 - a) Where RB is the Environmental Compliance Rate Base, adjusted for eligible Pollution Control Plant in Service and Accumulated Depreciation already included in existing rates.
 - b) Where ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the Weighted Average Cost of Pollution Control Bond Debt.
 - c) Where OE is the Operating Expenses [Depreciation and Amortization Expense, Property and Other Applicable Taxes, Insurance Expense, Emission Allowance Expense, Surcharge Consultant Fee, and Permit Fees; adjusted for the Average Month Expense already included in existing rates].
 - d) Where BAS is the Net Proceeds from By-Product and Allowance Sales.

- 2) For all post-1995 Plans, $\text{Post 1995 } E(m) = [(RB/12) (ROR + (ROR - DR) (TR / (1 - TR)))] + OE$
 - a) Where RB is the total Environmental Compliance Rate Base, adjusted for eligible Pollution Control Plant in Service, Accumulated Depreciation, and Deferred Taxes already included in existing rates.
 - b) Where ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the overall rate of return [cost of short-term debt, accounts receivable financing, long-term debt, preferred stock, and common equity].
 - c) Where DR is the Debt Rate [cost of short-term debt, accounts receivable financing and long-term debt].
 - d) Where TR is the composite Federal and State Income Tax Rate.
 - e) Where OE is the Operating Expenses [Depreciation and Amortization Expense, Property and Other Applicable Taxes, and Insurance Expense; adjusted for the Average Month Expense already included in existing rates]. Includes operation and maintenance expense associated with NOx control projects, as recorded in Account Nos. 506105 and 512101.

- 3) The sum of the 1995 E(m) and Post 1995 E(m), for each approved environmental compliance plan revenue requirement of environmental compliance costs is multiplied by the Jurisdictional Allocation Factor to arrive at the Net Jurisdictional E(m).

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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ECR

Environmental Cost Recovery Surcharge

- 4) The revenue $R(m)$ is the average monthly revenue, including base revenues and automatic adjustment clause revenues less Environmental Cost Recovery Surcharge revenues, for the Company for the 12 months ending with the current expense month.
- 5) Current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

Louisville Gas and Electric Company

Original Sheet No. 73
P.S.C. of Ky. Electric No. 6

STANDARD RIDER

MSR

Merger Surcredit Rider

AVAILABILITY

In all territory served.

APPLICABILITY OF SERVICE

To all electric rate schedules excluding those customers receiving their one-time payment of the surcredit amount under the settlement agreement in PSC Case No. 2002-00430.

SURCREDIT

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Merger Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Merger Surcredit Factor} = \text{MS} + \text{BA}$$

Where:

(MS) is the Merger Surcredit which is based on the total Company savings that are to be distributed to Company's customers in each 12-month period beginning July 1, 1998.

	<u>Savings to be Distributed</u>	<u>Merger Surcredit (MS)</u>
Year 1	\$ 6,183,320	1.109%
Year 2	9,018,830	1.587%
Year 3	12,168,065	2.103%
Year 4	13,355,755	2.265%
Year 5	14,702,775	2.451%
Year 6	18,045,255	3.185%*
Year 7	18,045,255	3.129%
Year 8	18,045,255	3.052%
Year 9	18,045,255	3.001%
Year 10	18,045,255	2.954%

* Reflects the average factor for the year. Actual application determined by the Final Order in PSC Case No. 2002-00430.

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Merger Surcredit Factor from the previous year by the expected retail sales revenue. The final Balancing Adjustment will be applied to customer billings in the second month following the tenth distribution year.

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Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

MSR

Merger Surcredit Rider

TERMS OF DISTRIBUTION

1. The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
2. On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under distributions.
3. The Merger Surcredit shall be applied to the customer's bill following the rates and charges for electric service, but before application of the school tax, the franchise fee, sales tax or other similar items.
4. The Company shall file a plan with the PSC midway through Year 10 of this schedule to address the future disposition of the Merger Surcredit and pending a final order from the Commission in that proceeding, the Merger Surcredit shall remain in effect.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

ESM	
Earnings Sharing Mechanism	
APPLICABLE	In all territory served.
AVAILABILITY OF SERVICE	To all electric rate schedules, excluding the Rider for Curtailable Service.
RATE	The monthly billing amount computed under each of the rate schedules to which this mechanism is applicable, the associated Fuel Adjustment Clause billing, the associated Environmental Surcharge billing, and the associated Merger Surcredit Rider billing shall be adjusted by a percentage factor which shall be calculated in accordance with the following formula: $\text{Earning Sharing Mechanism Factor} \quad \text{ESMF} = (\text{RA} + \text{BA}) / \text{AR} \%$
Where:	<p>(RA) is the Revenue Adjustment from the Current Reporting Period.</p> <p>(BA) is the Balancing Adjustment which reconciles any over- or under-provision of the RA from the Prior Adjustment Year.</p> <p>(AR) is the Actual Revenue for Current Reporting Year.</p>
DEFINITIONS:	<ol style="list-style-type: none">(1) Current Reporting Period shall be a calendar year.(2) Prior Reporting Period shall be the calendar year immediately preceding the Current Reporting Period.(3) Current Adjustment Year shall be the twelve months beginning with the first April billing cycle following the Current Reporting Period.(4) Prior Adjustment Year shall be the twelve months ending on the last March billing cycle following the Current Reporting Period.
TERMS AND CONDITIONS	<ol style="list-style-type: none">(1) The operation and calculations associated with the Earnings Sharing Mechanism shall be pursuant to the Commission's Orders in P.S.C. Case Nos. 98-426 and 2001-054.(2) An Earnings Sharing Mechanism Report will be filed on the 1st of March following a Current Reporting Period. The first Current Reporting Period subject to this tariff shall be the calendar year 2000.

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Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

ESM

Earnings Sharing Mechanism

- (3) The Earnings Sharing Mechanism Report's determination of the return on equity will
 - a) exclude all revenues and expenses associated with the Fuel Adjustment Clause and the Environmental Surcharge,
 - b) contain a threshold of 11.5% return on equity with a symmetrical deadband of 100 basis points above and below the threshold, and
 - c) share any revenue surplus or deficit outside of the deadband, 60% LG&E and 40% ratepayers.

- (4) The Earnings Sharing Mechanism Report will contain
 - a) the calculation of the adjusted revenues, expenses and net operating income. These calculations will recognize the effect of the Commission's final order in Case Nos. 98-426, 2001-054, and 2002-00071. Revenues will be adjusted for off-system sales. Filings would recognize adjustments to reflect the shareholders' portion of LG&E' s merger savings and the elimination of advertising expenses pursuant to KAR 807 5:016.
 - b) the calculation of the adjusted capitalization, capital structure, and the cost rates for debt and preferred stock.
 - c) the calculation of the rate of return on common equity reflecting the adjusted net operating income, the adjusted capitalization, adjusted capital structure, and the Current Reporting Period cost rates for debt and preferred stock.
 - d) the calculation of the revenue requirement for the Current Reporting Period based on the upper and lower points of the deadband. This calculation will reflect the adjusted financial data described above.
 - e) a comparison of the adjusted net operating income to the upper and lower point revenue requirements, a calculation of the amount of sharing with or collection from (Revenue Adjustment) ratepayers, and a determination of the Earnings Sharing Mechanism Factor to be applied to ratepayers' bills. The Revenue Adjustment used to compute the Earning Sharing Mechanism Factor will be applied in the first April billing cycle following the Current Reporting Period, if applicable.

- (5) The Balancing Adjustment will be used to compute the Earning Sharing Mechanism Factor to be applied in the second through twelfth months of the Current Adjustment Year. This calculation will be filed ten days prior to the first billing cycle of the second month of the Current Adjustment Year.

- (6) This schedule will be subject to Commission audit at the beginning of the third Current Reporting Period, 2002, and is effective for the Current Reporting Periods 2003, 2004, and 2005. Should the Commission order the Earning Sharing Mechanism cease to be effective, the Earning Sharing Mechanism will be withdrawn with completion of application of a final Balancing Adjustment.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

VDSR

Value Delivery Surcredit Rider

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To all electric rate schedules.

RATE

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Value Delivery Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Value Delivery Surcredit Factor} = \text{VDS} + \text{BA}$$

Where:

(VDS) is the Value Delivery Surcredit which is based on the total Company net savings that are to be distributed to the Company's customers in each 12-month period.

	Net Savings to be Distributed	Value Delivery Surcredit (VDS)
Year 1, Dec 1, 2001 to Dec 31, 2001	\$1,080,000	2.82%
Year 2, Jan 1, 2002 to Dec 31, 2002	\$1,120,000	0.20%
Year 3, Jan 1, 2003 to Dec 31, 2003	\$4,640,000	0.77%
Year 4, Jan 1, 2004 to Dec 31, 2004	\$5,640,000	0.90%
Year 5, Jan 1, 2005 to Dec 31, 2005	\$6,680,000	1.04%
Year 6, Jan 1, 2006 to Mar 31, 2006	\$1,760,000	1.23%

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Value Delivery Surcredit Factor from the previous year by the expected retail electric revenues. The final Balancing Adjustment will be applied to customer billings in the second month following the fifth distribution year.

TERMS OF DISTRIBUTION

- (1) The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
- (2) In the event that the actual net savings to the customers differs from the values shown under "Net Savings to be Distributed" an adjustment shall be made to Year 6 via the Balancing Adjustment. The determination of any such adjustment shall be reported to the Commission when it becomes available.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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VDSR

Value Delivery Surcredit Rider

- (3) On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under-distributions.
- (4) The Value Delivery Surcredit shall be applied to the customer's bill following the rates and charges for electric service, but before application of the school tax, the franchise fee, sales tax or similar items.
- (5) The Value Delivery Surcredit shall be withdrawn with application of the final Balancing Adjustment following Year 6.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RIDER

Franchise Fee Rider

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available as an option for collection of revenues within governmental jurisdictions which impose on the Company franchise fees, permitting fees, local taxes or other charges by ordinance, franchise, or other governmental directive and not otherwise collected in the charges of the Company's base rate schedules.

DEFINITIONS

Base Year - the twelve month period ending November 30.

Collection Year - the full calendar year following the Base Year.

Base Year Amount -

- 1) a percentage of revenues, as determined in the franchise agreement, for the Base Year; and
- 2) license fees, permit fees, or other costs specifically borne by the Company for the purpose of maintaining the franchise as incurred in the Base Year and applicable specifically to the Company by ordinance or franchise for operation and maintenance of its facilities in the franchise area, including but not limited to costs incurred by the Company as a result of governmental regulation or directives requiring construction or installation of facilities beyond that normally provided by the Company in accordance with applicable Rules and Regulations approved by and under the direction of the Kentucky Public Service Commission; and
- 3) any adjustment for over or under collection of revenues associated with the amounts in 1) or 2).

RATE

The franchise percentage will be calculated by dividing the Base Year amount by the total revenues in the Base Year for the franchise area. The franchise percentage will be monitored during the Collection Year and adjusted to recover the Base Year Amount in the Collection Year as closely as possible.

BILLING

- 1) The franchise charge will be applied exclusively to the base rate and all riders of bills of customers receiving service within the franchising governmental jurisdiction, before taxes.
- 2) The franchise charge will appear as a separate line item on the Customer's bill and show the unit of government requiring the franchise.
- 3) Payment of the collected franchise charges will be made to the governmental franchising body as agreed to in the franchise agreement.

TERM OF CONTRACT

As agreed to in the franchise agreement. In the event such franchise agreement should lapse but payment of franchise fees, other local taxes, or permitting fees paid by the Company by ordinance, franchise, or other governmental directive should continue, collection shall continue under this tariff.

TERMS AND CONDITIONS

Service will be furnished in accordance with the provisions of the franchise agreement in so far as those provisions do not conflict with the Terms and Conditions applicable to the Company approved by and under the direction of the Kentucky Public Service Commission.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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STANDARD RIDER

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School Tax

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is applied as a rate increase to all other schedules pursuant to KRS 160.617 for the recovery by the utility of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

RATE

The utility gross receipts license tax imposed by the county but not to exceed 3%.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS

Customer Bill of Rights

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate distinct disconnect notice alerting you to a possible disconnection of your service, if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days, you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March.
- If you have been disconnected due to non-payment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
 - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
 - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
 - 3) Accept referral to the Human Resources' Weatherization Program, and
 - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.
- You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (call Toll Free 1-800-772-4636).

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS

General

COMMISSION RULES AND REGULATIONS

All electric service supplied by the Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

COMPANY TERMS AND CONDITIONS.

In addition to the rules and regulations of the Commission, all electric service supplied by the Company shall be in accordance with these "Terms and Conditions," which shall constitute a part of all applications and contracts for service.

RATES, TERMS AND CONDITIONS ON FILE

A copy of the rate schedules, terms, and conditions under which electric service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, terms and conditions, together with the law, rules, and regulations of the Commission, is available for public inspection in each office of the Company where bills may be paid.

ASSIGNMENT

No order for service, agreement or contract for service may be assigned or transferred without the written consent of the Company.

RENEWAL OF CONTRACT

If, upon the expiration of any service contract for a specified term, the customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one year each, subject to termination at the end of any year upon 30 days prior written notice by either party.

AGENTS CANNOT MODIFY AGREEMENT WITHOUT CONSENT OF P.S.C. OF KY.

No agent has power to amend, modify, alter, or waive any of these TERMS AND CONDITIONS, or to bind the Company by making any promises or representations not contained herein.

SUPERSEDE PREVIOUS TERMS AND CONDITIONS

These TERMS AND CONDITIONS supersede all TERMS AND CONDITIONS under which the Company has previously supplied electric service.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Customer Responsibilities

APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before the Company is obligated to render electric service. The Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using electric service is clearly outside the scope of Company's standard rate schedules, Company may establish special contracts giving effect to such unusual circumstances.

TRANSFER OF APPLICATION

Applications for electric service are not transferable and new occupants of premises will be required to make application for service before commencing the use of electricity. Customers who have been receiving electric service shall notify the Company when discontinuance of service is desired, and shall pay for all electric service furnished until such notice has been given and final meter readings made by the Company.

OPTIONAL RATES

If two or more rate schedules are available for the same class of service, it is the customer's responsibility to determine the options available and to designate the schedule under which he desires to receive service.

The Company will, at any time, upon request, advise any Customer as to the most advantageous rate for existing or anticipated service requirements as defined by the Customer, but the Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

In those cases in which the most favorable rate is difficult to predetermine, the customer will be given the opportunity to change to another schedule, unless otherwise prevented by the rate schedule under which the Customer is currently served, after trial of the schedule originally designated; however, after the first such change, the Company shall not be required to make a change in schedule more often than once in twelve months.

From time to time, the Customer should investigate his operating conditions to determine a desirable change from one available rate to another. The Company, lacking knowledge of changes that may occur at any time in the Customer's operating conditions, does not assume responsibility that Customers will at all times be served under the most beneficial rate.

In no event will the Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.

CUSTOMER'S EQUIPMENT AND INSTALLATION.

The customer shall furnish, install and maintain at his expense all electrical apparatus and wiring to connect with Company's service drop or service line. All such apparatus and wiring shall be

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Louisville, Kentucky**

TERMS AND CONDITIONS
Customer Responsibilities

installed and maintained in conformity with applicable statutes, laws or ordinances and with the rules and regulations of the constituted authorities having jurisdiction. The customer shall not install wiring or connect and use any motor or other electricity-using device which in the opinion of the Company is detrimental to its electric system or to the service of other customers of the Company. The Company assumes no responsibility whatsoever for the condition of the customer's electrical wiring, apparatus, or appliances, nor for the maintenance or removal of any portion thereof

OWNER'S CONSENT TO OCCUPY

The Customer shall grant easements and rights-of-way on and across Customer's property at no cost to the Company.

ACCESS TO PREMISES AND EQUIPMENT

The Company shall have the right of access to the customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of electric service or for the purpose of turning on and shutting off the supply of electricity when necessary and for all other proper purposes. The customer shall not construct or permit the construction of any structure or device which will restrict the access of the Company to its equipment for any of the above purposes.

PROTECTION OF COMPANY'S PROPERTY

Customers will be held responsible for tampering, interfering with, breaking of seals of meters, or other equipment of the Company installed on the Customer's premises, and will be held liable for same according to law. The Customer hereby agrees that no one except the employees of the Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of the Company. Upon the absence of an active account, the property owner assumes responsibility for any consumption and the Company's property and service.

POWER FACTOR

The Company installs facilities to supply power to the Customer at or near unity power factor.

The Company expects Customer to use apparatus which shall result in a power factor near unity. However, the Company will permit the use of apparatus which shall result, during normal operation, in a power factor not lower than 90 percent either lagging or leading.

Where the Customer's power factor is less than 90 percent, the Company reserves the right to require the Customer to furnish, at his own expense, suitable corrective equipment to maintain a power factor of 90 percent or higher.

EXCLUSIVE SERVICE ON INSTALLATION CONNECTED

Electric service shall not be used for purposes other than as set forth in customer's application or contract.

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TERMS AND CONDITIONS
Customer Responsibilities

Except in cases where the Customer has contract with the company for reserve or auxiliary service, no other electric light or power service will be used by the Customer on the same installation in conjunction with the Company's service, either by means of a throw-over switch or any other connection.

LIABILITY

The Customer assumes all responsibility for the electric service upon the Customer's premises at and from the point of delivery of electricity and for the wires and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the Customer's premises or at and from the point of delivery of electricity, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company.

NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service connections, transformers, meters, and appurtenances supplied by Company for the rendition of electric service to its customers have a definite capacity which may not be exceeded without damage. In the event that the customer contemplates any material increase in his connected load, whether in a single increment or over an extended period, he shall immediately give the Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice the customer may be held liable for any damage done to meters, transformers, or other equipment of the Company caused by such material increase in the customer's connected load.

PERMITS

The customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give the Company or its agents access to the customer's premises and equipment and to enable its service to be connected therewith. In case the customer is not the owner of the premises or of intervening property between the premises and the Company's distribution lines the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and in or about such intervening property of all such wiring or other customer-owned electrical equipment as may be necessary or convenient for the supply of electric service to customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, the Company shall obtain the aforementioned consent.

The construction of electric facilities to provide service to a number of customers in a manner consistent with good engineering practice and the least public inconvenience sometimes requires that certain wires, guys, poles, or other appurtenances on a customer's premises be used to supply service to neighboring customers. Accordingly, each customer taking Company's electric service shall grant to Company such rights on or across his or her premises as may be necessary to furnish service to neighboring premises, such rights to be exercised by the Company in a reasonable manner and with due regard for the convenience of the customer.

The Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under the customer's application until a reasonable time after such permits are granted.

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Louisville, Kentucky**

**TERMS AND CONDITIONS
Company Responsibilities**

METERING

The electricity used will be measured by a meter or meters to be furnished and installed by the Company at its expense and all bills will be calculated upon the registration of said meters. When service is supplied by Company at more than one delivery point on the same premises, each delivery point will be metered and billed separately on the rate applicable. Meters include all measuring instruments. Meters will be located outside whenever possible. Otherwise, meters will be located as near as possible to the service entrance and on the ground floor of the building, in a clean, dry, safe and easily accessible place, free from vibration, agreed to by the Company.

POINT OF DELIVERY OF ELECTRICITY

The point of delivery of electrical energy supplied by the Company shall be at the point, as designated by the Company, where Company's facilities are connected with the facilities of the customer, irrespective of the location of the meter.

EXTENSION OF SERVICE

The main transmission lines of the Company, or branches thereof, will be extended to such points as provide sufficient load to justify such extensions or in lieu of sufficient load, the Company may require such definite and written guarantees from a Customer, or group of Customers, in addition to any minimum payments required by the Tariff as may be necessary. This requirement may also be made covering the repayment, within a reasonable time, of the cost of tapping such existing lines for light or power service or both.

COMPANY'S EQUIPMENT AND INSTALLATION

The Company will furnish, install, and maintain at its expense the necessary overhead service drop or service line required to deliver electricity to the customer's electric facilities at the voltage contracted for.

The Company will furnish, install, and maintain at its expense the necessary meter or meters. (The term meter as used here and elsewhere in these rules and regulations shall be considered to include all associated instruments and devices, such as current and potential transformers, installed for the purpose of measuring deliveries of electricity to the customer.) Suitable provision for the Company's meter, including an adequate protective enclosure for the same if required, shall be made by the customer. Title to the meter shall remain in the Company, with the right to install, operate, maintain, and remove same. The customer shall protect such property of the Company from loss or damage, and no one who is not an agent of the Company shall be permitted to remove, damage or tamper with the same. The customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish the Company with realistic estimates of prospective electricity requirements.

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Louisville, Kentucky**

TERMS AND CONDITIONS
Company Responsibilities

COMPANY NOT LIABLE FOR INTERRUPTIONS.

The Company will exercise reasonable care and diligence in an endeavor to supply service continuously and without interruption but does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of electric service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of the Company.

COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

The Company is merely a supplier of electricity delivered to the point of connection of Company's and the customer's facilities, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of the customer or of third persons resulting from the presence, use or abuse of electricity on the customer's premises or resulting from defects in or accidents to any of customer's wiring, equipment, apparatus, or appliances, or resulting from any cause whatsoever other than the negligence of the Company.

LIABILITY

In no event shall the Company have any liability to the Customer or any other party affected by the electrical service to the Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to the Customer or any other party. In the event that the Customer's use of the Company's service causes damage to the Company's property or injuries to persons, the Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold the Company harmless from any and all suits, claims, losses, and expenses associated therewith.

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Louisville, Kentucky**



TERMS AND CONDITIONS

Character of Service

The Company supplies alternating current with a nominal frequency of 60 cycles per second. Direct current service, which has been supplied to a limited number of customers in a limited area, is not available for any new connection nor for any increase in the capacity of existing direct current loads.

Company's electric service is supplied at the following nominal voltages and phases:

SECONDARY DISTRIBUTION VOLTAGES

Residential Service.

Single phase 120/240 volts three-wire service or 120/208Y volts three-wire where network system is used.

Commercial and Industrial Service.

Single Phase 120/240 volts three wire. Three phase 240 volts three wire, 480 volts three wire, 120/208Y volts four wire or 277/480Y volts four wire.

PRIMARY DISTRIBUTION VOLTAGES

According to location, 2400/4160Y volts, 7200/12,470Y volts, 13,800 volts, or 34,500 volts.

TRANSMISSION LINE VOLTAGES

69,000 volts, 138,000 volts, or 345,000 volts.

The voltage available to any individual customer shall depend upon the voltage of the Company's lines serving the area in which such customer's electric load is located.

APPLICATION OF SERVICE VOLTAGE DIFFERENTIALS

To be eligible for the rate applicable to any voltage level other than distribution secondary voltage, a customer must furnish and maintain complete substation structure, transformers, and other equipment necessary to take service at the distribution primary or transmission line voltage available at point of connection. In the event Company is required to provide a transformer station to reduce an available voltage to a lower voltage for delivery to a customer, the customer shall be served at the rate applicable to the lower voltage; provided, however, that if the same rate is applicable to both the available voltage and the delivery voltage, the rate will be applied as though the customer were served at the next lower voltage classification from that of the actual delivery voltage. The available voltage shall be the voltage on that distribution or transmission line which the Company designates as being suitable from the standpoint of capacity and other operating characteristics for supplying the requirements of the customer.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS

Residential Rate Specific Terms and Conditions

Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances, and other domestic purposes.

1. Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, the Company will require, as a condition precedent to the application of the residential rate, that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Customer, the Company will allow service to two or more families to be taken through one meter, but in this event the energy blocks and minimum bills of the applicable residential rate shall be multiplied by the number of families thus served, such number of families to be determined on the basis of the number of kitchens in the building. At the Customer's option, in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to one Customer at an appropriate non-residential rate. under a general service rate applicable.
2. Single family unit service shall include usage of electric energy customarily incidental to home occupations, such as the office of a physician, surgeon, dentist, musician or artist when such occupation is carried on by the Customer in his residence.
3. A residential building used by a single family as a home, which is also used to accommodate roomers or boarders for compensation, will be billed at the residential rate provided it does not exceed 12 rooms in size. Such a residential building of more than twelve rooms used to accommodate roomers or borders for compensation will be classified as commercial and billed on the appropriate at commercial or general service rates. In determining the room rating of rooming and boarding houses, all wired rooms shall be counted except hallways, vestibules, alcoves, closets, bathrooms, lavatories, garrets, attics, storage rooms, trunk rooms, basements, cellars, porches and private garages.
4. Service used in residential buildings occupied by fraternity or sorority organizations associated with educational institutions will be classified as residential and billed at the residential rate.
5. Where both residential and general or commercial classes of service are supplied through a single meter, such combined service shall be classified as general and billed at the appropriate non-residential general service rate. The Customer may arrange his wiring so as to separate the general service from the residential service, in which event two meters will be installed by the Company and separate residential and general service rates applied to the respective classes of service.
6. If a farm Customer's barns, pump house or other outbuildings are located at such distance from his residence as to make it impracticable to supply service thereto through his residential meter, the separate meter required to measure service to such remotely located buildings will be considered a separate service contract and billed as a separate Customer on the applicable general service rate.
7. Single-phase power service used for domestic purposes will be permitted under Residential Rate RS when measured through the residential meter subject to the conditions set forth below:

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS

Residential Rate Specific Terms and Conditions

- (a) Single-phase motors may be served at 120 volts if the locked-rotor current at rated voltage does not exceed 50 amperes. Motors with locked-rotor current ratings in excess of 50 amperes must be served at 240 volts.
 - (b) Single-phase motors of new central residential cooling installations with total locked-rotor ratings of not to exceed 125 amperes (inclusive of any auxiliary motors arranged for simultaneous starting with the compressor) may be connected for across-the-line starting provided the available capacity of Company's electric distribution facilities at desired point of supply is such that, in Company's judgment, the starting of such motors will not result in excessive voltage dips and undue disturbance of lighting service and television reception of nearby electric customers. However, except with Company's express written consent, no new single-phase central residential cooling unit having a total lock-rotor rating in excess of 125 amperes inclusive of auxiliary motors arranged for simultaneous starting with the compressor) shall hereafter be connected to Company's lines, or be eligible for electric service therefrom, unless it is equipped with an approved type of current-limiting device for starting which will reduce the initial and incremental starting current inrush to a maximum of 100 amperes per step. Company shall be furnished with reasonable advance notice of any proposed central residential cooling installation.
 - (c) In the case of multi-motored devices arranged for sequential starting of the motors, the above rules are considered to apply to the locked-rotor currents of the individual motors; if arranged for simultaneous starting of the motors, the rules apply to the sum of the locked-rotor currents of all motors so started.
 - (d) Any motor or motors served through a separate meter will be billed as a separate customer.
8. No three-phase power service will be rendered under Residential Rate Schedule RS. Any residential customer or group of customers desiring To contract for three-phase service for power purposes will be required to advance the cost of extending such service to the premises at which desired and shall be billed for such service at Company's General Service Rate GS.



**TERMS AND CONDITIONS
BILLING**

METER READINGS AND BILLS

Each bill for utility service shall be issued in compliance with 807 KAR 5:006, Section 6.

All bills will be based upon meter readings made in accordance with the Company's meter reading schedule. The Company, except if prevented by reasons beyond its control, shall read customers meters at least quarterly, except that customer-read meters shall be read at least once during the calendar year.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's electric or gas meter fails to register properly by reason of damage, accident, etc., the Company shall have the right to estimate the customer's consumption during the period of failure on the basis of such factors as the customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where the Company serves a customer with both electric and gas service at the same service location, the Company will render a combined bill. Provided, however, a residential customer may request, and the Company will render, separate bills under the following conditions: (1) the customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) the customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable in their net amount at the office of the Company during business hours, or at other locations designated by the Company, within 15 days from date of rendition thereof. In the event a bill is not paid on or before the final day of this 15 day net payment period, the gross bill including forfeited discount or delayed payment charge shall become due and payable at the office of the Company.

Failure to receive a bill does not exempt a customer from these provisions of the Company's Terms and Conditions.

READING OF SEPARATE METERS NOT COMBINED

For billing purposes, each meter upon the customer's premises will be considered separately and readings of two or more meters will not be combined except where the Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

**TERMS AND CONDITIONS
BILLING**

MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, the Company will monitor the usage of each customer at least once annually. Should an unusual deviation in the customer's consumption be found which cannot be attributed to a readily identified cause, the Company will perform a detailed analysis of the customer's meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5). In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

RESALE OF ELECTRIC ENERGY.

Electric energy furnished under the Company's standard application or contract is for the use of the customer only and no customer shall resell such energy to any other person, firm, or corporation on the customer's premises or for use on any other premises without the written consent of Company. If energy is resold in accordance with such written consent of Company, the energy may be resold only under one of the following two procedures: (1) the bill for electric service shall be divided by the total KWH's delivered to the customer during the billing period by LG&E and the resulting cost per KWH shall then be applied to the KWH's of energy used by each end-user; or (2) such energy shall be resold at rates which are identical to the rates which would be charged by the Company for like and contemporaneous service.

Electric service shall not be used for purposes other than as set forth in customer's application or contract.

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Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**



TERMS AND CONDITIONS

DEPOSITS

The Company may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. The Company may offer customers the option of paying all or a portion of their deposits in installments over a period not to exceed the first three normal billing periods. Service may be refused or discontinued for failure to pay the requested deposit.

Generally, deposits will be required from all customers not meeting satisfactory credit and payment criteria. Satisfactory credit for customers will be determined by utilizing independent credit sources (primarily utilized with new customers having no prior history with the Company), as well as historic and ongoing payment and credit history with the Company. Examples of independent credit scoring resources include credit scoring services, public record financial information, financial scoring and modeling services, and information provided by independent credit/financial watch services. Satisfactory payment criteria with the Company may be established by paying all bills rendered, having no disconnections for nonpayment, having no late notices, having no defaulted credit arrangements, having no returned payments, having no meter diversion or theft of service.

If a non-residential customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by the Company in its sole discretion, the Company may require a new or additional deposit from the customer. A new or additional deposit may also be required if the customer's classification of service changes or if there is a substantial change in usage.

Interest on deposits will be calculated at the rate prescribed by law, from the date of deposit, and will be paid annually either by refund or credit to the customer's bills, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit. If interest is paid or credited to the customer's bill prior to 12 months from the date of deposit, the payment or credit will be on a prorated basis. Upon termination of service, the deposit, any principal amounts, and interest earned and owing will be credited to the final bill, with any remainder refunded to the customer.

Residential deposits will be retained for a period not to exceed 12 months, provided the customer has met satisfactory payment and credit criteria. Non-residential deposits will be maintained as long as the customer remains on service.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

DEPOSIT AMOUNT

Residential electric customers will pay a deposit in the amount of \$120.00, which is calculated in accordance with 807 KAR5:006 Section 7(1)(b). For combination gas and electric customers, the total deposit will be \$240.00.

Non-residential customers' deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers.

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Louisville, Kentucky**

**TERMS AND CONDITIONS
DEPOSITS**

premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Budget Payment Plan

The Company's Budget Payment Plan is available to any residential customer or general service customer. Small business customers must have a minimum of three months of usage history and a zero balance owed on their account(s) to be eligible for the Budget Payment Plan. Under this plan, a customer may elect to pay, each month, a budgeted amount in lieu of billings for actual usage. A customer may enroll in the plan at any time.

The budgeted amount will be determined by the Company, and will be based on one-twelfth of the customer's usage for either an actual or estimated twelve months. The budgeted amount will be subject to review and adjustment by the Company at any time during the customer's budget year. If actual usage indicates the customer's account will not be current with the final payment in the customer's budget year, the customer will be required to pay their Budget Payment Plan account to \$0 prior to the beginning of the customer's next budget year.

If a customer fails to pay bills as agreed under the Budget Payment Plan, the Company reserves the right to remove the customer from the plan, restore the customer to regular billing and require immediate payment of any deficiency. A customer removed from the Budget Payment Plan for non-payment may be prohibited from further participation in the plan for twelve (12) months.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Bill Format



Customer Service: (502) 589-1444
Mon-Fri 8AM-5PM
www.lgeenergy.com

A SUBSIDIARY OF
LG ENERGY

Help us serve you better. Review your home phone number on the payment stub. If incorrect, please indicate the correct number.

Averages for Billing Period	This year	Last year
Average Temperature	35°	39°
Number of Days Billed	34	34
Electric/kWh per Day	13.47	10.59
Gas/ccf per Day	0.74	0.65

DATE DUE	AMOUNT DUE
01/28/01	\$52.55

ACCOUNT INFORMATION	
Account Number:	1234-1234-1234-1 0
Account Name:	John D. Customer
Service Address:	789 Any Street
Next Scheduled Reading:	02/09/01

BILLING SUMMARY	
Previous Balance	\$ 34.18
Payment Received As Of 12/28	\$ 34.18
Balance As Of 12/28	\$ 0.00
Electric Charges	\$26.21
Gas Charges	\$26.34
Current Utility Charges 1/28	\$ 52.55
Total Amount Due	\$ 52.55

ELECTRIC CHARGES		Meter Reading Information	
Rate Type: R-RESIDENTIAL	\$ 3.29	Meter #123456	
Customer Charge	\$ 24.39	Actual Reading on 1/11	34014
Energy Charge		Actual Reading on 12/09	33556
Other Charges for Above Rates		Current kWh Usage	458
Electric Fuel Adjustment (\$0.00236 CR x 458 kWh)	\$ (1.08)	Meter Multiplier	1
Electric Residential DSM Amt (\$ 0.0006 x 458 kWh)	\$ 0.03	Metered kWh Usage	458
Environmental Surcharge (0.620% x \$26.63)	\$ 0.17		
Merger Surcredit (2.157% CR x \$26.79)	\$ (0.58)		
Total Electric Charges	\$ 26.21		

GAS CHARGES		Meter Reading Information	
Rate Type: RGS-RESIDENTIAL	\$ 7.00	Meter #12345	
Customer Charge	\$ 3.37	Actual Reading on 01/11	1750
Gas Distribution Charge		Actual Reading on 12/09	1725
Other Charges for Above Rates		Current ccf Usage	25
Gas Supply Cost Component (\$ 6.4371 x 25 ccf)	\$ 16.09	Meter Multiplier	1
Gas Residential DSM Amt (\$ 0.0466 CR x 25 ccf)	\$ (0.12)	Metered ccf Usage	25
Total Gas Charges	\$ 26.34		

Customer Service (502) 589-1444

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Account Number	Payment Due Date	Total Amount Due	Amount Due After Due Date	Winter Help Donation	Amount in Enclosure
1234-1234-1234-1 0	01/28/01	\$52.55	\$55.18	\$	\$

OFFICE USE ONLY:
C07, R076,
S01139

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P.O. Box 32000
Louisville, Kentucky 40232

#AAABBB
#01234567890000 0 0#
JOHN D. CUSTOMER
789 ANY STREET
LOUISVILLE KY 40000-0000



Home Phone # (502) 555-0000

Service Address: 789 Any Street

000015704000170000000055450000000528100000000000000

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Michael S. Beer, Vice President
Louisville, Kentucky

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TERMS AND CONDITIONS

Bill Format

Account Number: 1234-1234-1234-1 0 Page 2

BILLING INFORMATION

If you would like a rate schedule, please contact us and we will be glad to send you one.

Franchise Fee: A pass-through of fees paid by the Company to municipalities for the right to serve customers located in those municipalities.

IMPORTANT INFORMATION

Let the Automatic Bank Club Program simplify your life. Call Customer Service at 1-502-627-3313 for more information.

If enrolling, also check box on front of stub.

YES, I want to enroll in the Automatic Bank Club.

Please deduct my Automatic Bank Club payment from my Checking Account.

(Voided check must be provided.)

I hereby authorize LG&E to debit my bank account for payment of my monthly energy bill. This authorization will remain in effect until revoked by me or LG&E.

Signature _____ Date _____



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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Discontinuance of Service

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, the Company shall have the right to refuse or discontinue to serve an applicant or customer under the following conditions:

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce the customer to comply with its rules and then only after the customer has been given at least 10 days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.
- D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. Service will not be supplied or continued to any premises if the applicant or customer is indebted to the Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Unpaid balances of previously rendered Final Bills may be transferred to any account for which the customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred and will be subject to the Company's collection and disconnection procedures. Final Bills may be transferred regardless of whether they are for combination gas and electric or gas only or electric only charges. The Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

Service will not be supplied or continued to any premises if at the time of application for service the applicant is merely acting as an agent of a person or former customer who is indebted to the Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where the applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to the Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.

- H. For non-payment of bills. The Company shall have the right to discontinue service for non-payment of bills after the customer has been given at least ten days written notice,

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Discontinuance of Service

separate from his original bill. Cut-off may be effected not less than 27 days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than 30 days from the original date of discontinuance. The Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.

- I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. Within twenty-four (24) hours after such termination, the Company shall send written notification to the customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. The Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. The Company shall not be required to restore service until the customer has complied with all rules of the Company and regulations of the Commission and the Company has been reimbursed for the estimated amount of the service rendered and the cost to the Company incurred by reason of the fraudulent use.

When service has been discontinued for any of the above reasons, the Company shall not be responsible for any damage that may result therefrom.

Discontinuance or refusal of service shall be in addition to, and not in lieu of, any other rights or remedies available to the Company.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

**TERMS AND CONDITIONS
Line Extension Plan**

1. The Company will extend its single phase electric lines at its own expense for a distance of up to one thousand feet to each bona-fide applicant for year-round electric service who demonstrates that such service will be of a permanent nature. Applicant must agree in writing to take service when the extension is completed and have his building or other permanent facility wired and ready for connection.
2. The Company will extend its single phase electric lines in excess of the above distance provided the applicant for service advances to the Company an amount equal to the estimated cost of such excess portion of the extension.
3. The Company will install at its own expense a service drop of suitable capacity, the length of which is not included in the foregoing distances. The Company will provide the necessary meter or meters to measure service in accordance with the applicable rate schedule or schedules.
4. For each new year-round customer actually connected to the extension within a ten-year period following completion thereof, but not to extensions or laterals therefrom, the Company will refund to each applicant who advanced funds in accordance with Paragraph 2 above an amount equal to 1000 times the average unit cost per foot of extension advanced by such applicant; provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to the Company.
5. In the event the Company is required to make a further extension of its lines to serve a customer, Company reserves the right to connect to any extension constructed under these rules and to connect customers to such additional extensions without application of the refund referred to in Paragraph 4 above.
6. The title to all extensions herein provided for, together with all necessary rights of way, permits and easements, shall be and remain in the Company.
7. Nothing herein shall be construed as preventing the Company from making electric line extensions under more favorable terms than herein prescribed provided the potential consumption and revenue is of such amount and permanency as to warrant such terms and render economically feasible the capital expenditure involved.
8. Anything contained herein to the contrary notwithstanding, distribution line extensions to mobile homes will be made in accordance with the rules of the Public Service commission of Kentucky, 807 KAR 5:041E, Section 12.
9. The Company shall not be obligated to extend its electric lines in cases where such extensions in the judgment of Company, would be infeasible, impractical, or contrary to good operating practice.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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TERMS AND CONDITIONS
Underground Service Rules

1. With the exception of the downtown section of the City of Louisville designated by City as an underground district, Company's distribution system is generally designed as an overhead system. All extensions of service will be made through the use of overhead facilities except as provided in these rules.
2. Within the aforesaid City of Louisville underground district or in those cases where Company's engineering or operating convenience requires the construction of an underground extension, the excess of the cost of an underground extension over that of an overhead extension will be financed by the Company.
3. In cases other than those specified in Paragraph 2 above, where the customer requests and Company agrees to supply underground service to an individual premise, the customer shall pay to Company the excess, as estimated by the Company, of the cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity, which payment will not be subject to refund.
4. Rules governing the terms and conditions under which underground extensions will be made in new residential subdivisions are set forth on Sheets 29, 30 and 31 of this Tariff and entitled "Underground Electric Extension Rules for New Residential Subdivisions."
5. In all cases the point of delivery to an individual premise shall be at a point on such premise as designated by the Company. The customer will provide, own, operate and maintain all electric facilities on his side of the point of delivery, with the exception of Company's meter, for which suitable provision shall be made by the customer in accordance with Company's general rules.
6. In all cases other than those specified in Paragraph 2 above, the Company shall not be obligated to supply underground service when, in the judgment of Company, such service would be infeasible, impractical, or contrary to good operating practice.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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TERMS AND CONDITIONS

Underground Electric Extension Rules for New Residential Subdivisions

The Company will install underground electric distribution facilities within new residential subdivisions in accordance with its standard policies and procedures and the rules of the Public Service Commission of Kentucky applicable thereto (807 KAR 5:041E, Section 21, Electric) under the following conditions:

1. These rules shall apply only to 120/240 volt, single phase service to:
 - (a) Residential subdivisions containing ten or more lots for the construction of new residential buildings designed for less than five-family occupancy.
 - (b) High density, multiple-occupancy residential building projects consisting of two or more buildings not more than three stories above grade level and containing not less than five family units per building.
2. When an Applicant has complied with these rules and with the applicable rules of the Public Service Commission, and has given the Company at least 120 days' written notice prior to the anticipated date of completion (i.e., ready for occupancy) of the first building in the subdivision, the Company will undertake to complete the installation of its facilities at least 30 days prior to such estimated date of completion. However, nothing herein shall be interpreted to require the Company to extend service to portions of subdivisions not under active development.
3. Any Applicant for underground distribution facilities to a residential subdivision, as described in Paragraph 1(a) above, shall pay to the Company, in addition to such refundable deposits as may be required in accordance with Paragraph 5 below, a unit charge of \$2.67 per aggregate lot front foot along all streets contiguous to the lots to be served underground. Such payment shall be non-refundable.
4. The Company will install underground single-phase facilities to serve high-density, multiple-occupancy residential building projects, as described in Paragraph 1(b) above, as follows:
 - (a) Where such projects have a density of not less than eight family units per acre, at no charge to the Applicant except where a refundable deposit may be required in accordance with Paragraph 5 below.
 - (b) Where such buildings are widely separated and have a density of less than eight family units per acre, at a cost to the Applicant equivalent to the difference between the actual cost of constructing the underground distribution system and the Company's estimated cost for construction of an equivalent overhead distribution system, the latter including an allowance of not less than \$50 per service drop required. Such payment shall be non-refundable.
5. The Applicant may be required to advance to the Company the full estimated cost of construction of its underground electric distribution extension. This advance, to the extent it exceeds the non-refundable charges set forth above, shall be subject to refund.

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Louisville, Kentucky**

TERMS AND CONDITIONS

Underground Electric Extension Rules for New Residential Subdivisions

- (a) In the case of residential subdivisions, this advance, if required, shall be calculated at a unit charge of \$9.57 per aggregate front-foot and the refund shall be made, on the basis of 2000 times the amount by which such unit charge advance exceeds the non-refundable unit charge set forth in Paragraph 3 above, for each permanent customer connected to the underground distribution system during the ten year period following the date such advance is made.
- (b) In the case of high-density, multiple-occupancy residential building projects, this advance, if required, shall be based on construction costs for the project as estimated by the Company and shall be refunded, to the extent such advance exceeds any non-refundable charges applicable, when permanent service is commenced to 20 percent of the family units in the project, provided such conditions are met within ten years following the date such advance is made.
- (c) In no case shall the refunds provided for herein exceed the amounts deposited less those non-refundable charges applicable to the project.
6. Where, upon mutual agreement by the Company and the Applicant, Applicant performs the trenching and/or backfilling in accordance with the Company's specifications, the Company will credit the Applicant's costs in an amount equal to the Company's estimated cost for such trenching and/or backfilling. Such credit will be based on the system as actually designed and constructed.
7. In order that the Company may make timely provision for materials and equipment, a contract between an Applicant and the Company for an underground extension under these rules shall ordinarily be required at least six months prior to the date service in the subdivision is needed. The Applicant shall advance not less than 10% of the amounts due under the said contract at the time of its execution. The remaining amounts due shall be payable in full prior to the commencement of actual construction by the Company of its facilities.
8. Three-phase primary mains or feeders required within a subdivision to supply local distribution or to serve individual three-phase loads may be overhead unless underground facilities are required by governmental authorities or chosen by Applicant, in either of which cases the differential cost of underground shall be borne by the Applicant.
8. Unit charges, where specified herein, are determined from the Company's estimate of the average unit cost of such construction within its service area and the "estimated average cost differential," if any and here applicable, between the estimated average cost of underground distribution systems in residential subdivisions and the estimated cost of equivalent overhead distribution systems in representative residential subdivisions.
10. The point of delivery of electric service shall be at a junction device located as specified by the Company, where the facilities of the Company join the customer's facilities, irrespective of the location of the meter. Under normal circumstances such point of delivery will be the corner of the lot nearest the Company's facilities. Each customer shall install, own and maintain an underground service line from the point of delivery to his building. (In consideration thereof, a credit allowance equal to the Company's average installed cost for an overhead service or \$50.00, whichever is greater, has been included in calculating the applicant's charges as set forth elsewhere herein.) The customer's service line shall be brought by the customer to a point

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Louisville, Kentucky**

TERMS AND CONDITIONS

Underground Electric Extension Rules for New Residential Subdivisions

within 1½ feet of the Company's transformer or service pedestal and a sufficient length of service conductor for termination at the transformer or service pedestal shall be left coiled above grade for completion of installation and connection by the Company.

11. If a particular residential subdivision does not meet the conditions set forth herein, underground distribution facilities may be installed provided the Applicant pays to the Company an amount equal to the difference between the Company's cost of installing its underground facilities and the estimated cost of installing equivalent overhead facilities which it would otherwise provide, subject to any other credits which may be applicable.

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Louisville, Kentucky**

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

This Plan is established in recognition of the need for an orderly reduction of electric energy usage by LG&E's customers when LG&E's ability to supply the full normal requirements of such customers is limited or threatened by an actual or potential shortage of fuel for the production of electricity or when a non-fuel emergency reduces LG&E's ability to supply electricity.

1. **APPLICABILITY.** This Plan is applicable throughout the Company's electric service area.
2. **PRIORITY LEVELS.** For the purposes of this Plan, the following priority levels are established:
 - A. **PRIORITY LEVEL I – ESSENTIAL HEALTH AND SAFETY USES.** Usages considered essential to the public health and safety which are given special consideration under this Plan shall include:
 - a. Hospitals.
 - b. Police and fire stations.
 - c. Governmental detention facilities.
 - d. Communication services used for the transmittal of public information and emergency messages.
 - e. Water, sewage and flood pumping facilities.
 - f. Life support equipment, such as kidney machines, respirators, etc., used to sustain human life.
 - g. National defense facilities.
 - h. Transportation facilities used for mass transport of the public.
 - i. Food and medicine processing facilities (does not include restaurants or retail food outlets).
 - j. Energy services used for the production, transportation, or distribution of fuel supplies.
 - k. Any other use of electricity vital to public health and safety as may subsequently be established by the Company, acting under the regulatory jurisdiction of the Commission.
 - B. **PRIORITY LEVEL II – RESIDENTIAL USES.** As used in this Plan, "residential uses" refers to electricity uses, not included in Priority Level I or IV, that are used to maintain human living quarters.
 - C. **PRIORITY LEVEL III – COMMERCIAL AND INDUSTRIAL USES.** As used in this Plan, commercial and industrial uses are defined as:
 - a. "Commercial uses" refers to electricity uses not included in either Priority Levels I, II, or IV that are used primarily in the sale or offering of goods and services. Also included are institutions and local, state, and federal governmental agencies. Commercial uses of electricity for the maintenance of human living quarters, either permanent or temporary, shall be treated as residential for purposes of this Plan.
 - b. "Industrial uses" refers to electricity uses not included in either Priority Levels I, II, or IV that are used primarily in a process or processes which create or change raw or unfinished materials into another form or product.

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

D. PRIORITY LEVEL IV – NONESSENTIAL USES. As used in this Plan, "nonessential uses" shall mean all electricity uses not included in either Priority Levels I, II, or III and shall include, but not be limited to, the following:

- a. Outdoor flood and advertising lighting, except for the minimum level to protect life and property, and a single illuminated sign identifying commercial facilities when operating after dark.
- b. General interior lighting levels greater than minimum functional levels.
- c. Show-window and display lighting.
- d. Parking-lot lighting above minimum functional levels.
- e. Energy use to lower the temperature below 78 degrees during operation of cooling equipment and above 65 degrees during operation of heating equipment.
- f. Elevator and escalator use in excess of the minimum necessary for non-peak hours of use.
- g. Energy use greater than that which is the minimum required for lighting, heating, or cooling of commercial or industrial facilities for maintenance cleaning or business-related activities during non-business hours.
- h. Any other use considered nonessential as may subsequently be established by the Company, acting under the regulatory jurisdiction of the Commission.

3. CURTAILMENT PROCEDURES. In general, instructions and directives with respect to the curtailment or reduction of usage will be issued through mass communications media. Additional notice may be given to large commercial and industrial customers by direct communication. LG&E will give as much notice of required levels of curtailment as practicable, but makes no commitment with respect to the length of notice period.

LG&E will seek the aid of all appropriate local and state governmental agencies in the enforcement of its directives, to ensure that such directives are observed by all customers to which they apply.

Essential health and safety uses listed in Priority Level I will be exempted from the curtailment requirements set forth below, but customers having such uses will be expected to reduce their usage as much as practicable, commensurate with the maintenance of such essential services.

Curtailment will be implemented as required by circumstances. LG&E will determine, based on the circumstances, the degree of curtailment necessary to protect the integrity of its system and Priority I uses.

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

4. CURTAILMENT DUE TO FUEL SHORTAGES. Curtailment will be implemented when, in LG&E's judgment, circumstances exist that threaten its fuel supply in such a way as to call into question LG&E's ability to meet its future requirements for electric energy, including, but not limited to, labor actions, mine disasters, and disruption in the modes of transportation. The degree of curtailment will be determined after considering the seriousness of the circumstances prompting its implementation. LG&E will initiate the following actions to curtail uses of electricity in the event of fuel shortages:

1. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Purchase off-system power as appropriate.
 - b. Reduce LG&E's own uses of electric energy in offices, plants, and other facilities to the extent practical.
 - c. Discontinue all non-firm off-system sales except emergency energy transactions where such energy can be returned within reasonable time periods.
 - d. Curtail interruptible customers.
2. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Utilize generation facilities fired by secondary fuels to the extent such fuels are available.
 - b. Urge all customers to voluntarily conserve electric energy.
3. Discontinue all firm off-system sales.
4. Direct all customers with Priority IV uses to reduce or discontinue those uses of electric energy.
5. Seek approval from appropriate environmental authority to discontinue operation of SDRS systems.
6. Direct all customers with Priority III uses to reduce or discontinue those uses of electric energy.
7. Direct all customers with Priority II uses to reduce or discontinue those uses of electric energy.
8. Implement procedures for interruption of selected distribution circuits on a rotational basis.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

5. TERMINATION OF CURTAILMENT DUE TO FUEL SHORTAGE. Curtailment and other measures implemented pursuant to this Plan shall be terminated when (a) normal fuel deliveries have been resumed and there is evidence deliveries will continue indefinitely, and (b) there is reasonable assurance that fuel deliveries are sufficient for normal burn requirements and for restoration of fuel inventories to adequate levels within a reasonable period of time.

6. NON-FUEL EMERGENCIES WHERE LG&E MAY NOT BE ABLE TO SUPPLY THE DEMAND FOR ELECTRICITY. In the event that conditions on LG&E's system threaten its ability to supply the demand for electric energy, LG&E would initiate the following curtailment steps in order to protect system integrity and high priority uses.

1. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Purchase Off-System Power as appropriate.
 - b. Discontinue all non-firm off-system sales except emergency energy transactions where such energy can be returned within reasonable time periods.
 - c. Reduce LG&E's own uses of electric energy in offices, plants, and other facilities to the extent possible.
 - d. Curtail interruptible customers.
 - e. Utilize generation facilities fired by secondary fuels to the extent such fuels are available.
2. Discontinue all firm off-system sales.
3. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Urge all customers to voluntarily conserve electric energy.
 - b. Direct all customers with Priority IV uses to reduce or discontinue those uses of electric energy.
4. Seek approval from appropriate environmental authority to discontinue operation of SDRS systems.
5. Direct all customers with Priority III uses to reduce or discontinue those uses of electric energy.
6. Direct all customers with Priority II uses to reduce or discontinue those uses of electric energy.

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

7. Implement procedures for interruption of selected distribution circuits on a rotational basis.

When the frequency on LG&E's system deteriorates below ECAR specified parameters, due to a condition on, either, LG&E's system or the interconnected grid, circuit breakers will automatically interrupt selected circuits. As a result, depending upon the emergency, this event may occur first. However, automatic interruption of load is not deployed on circuits that would affect Priority I uses.

7. TERMINATION OF CURTAILMENT DUE TO NON-FUEL EMERGENCIES.

Curtailement and other measures implemented associated with this plan shall be terminated when system operating conditions indicate that LG&E can reasonably expect to supply future electric energy requirements without further jeopardizing system integrity or high priority uses.

- 8. COMPLIANCE.** To the extent practicable, LG&E proposes to monitor compliance with its directives issued pursuant to these rules. A customer found not to be in compliance during a fuel shortage would be warned to reduce usage or face, upon continuing non-compliance and upon one day's written notice, disconnection of electric service for the duration of the emergency. A customer found not to be in compliance during a non-fuel emergency may have its electric service disconnected without prior written notification. Customers not in compliance may be charged \$.50 for each Kilowatt hour used in violation of a curtailment directive. This charge will be applied only to measurable usage that exceeds the amount allowed to be consumed by the customer under the relevant curtailment directive.

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Michael S. Beer, Vice President
Louisville, Kentucky

LG&E's Proposed Tariff – Gas

Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky

Rates, Terms and Conditions for Furnishing

NATURAL GAS SERVICE

In the sixteen counties of the Louisville, Kentucky, metropolitan area
as depicted on territorial maps as filed with the

PUBLIC SERVICE COMMISSION
OF KENTUCKY

Date of Issue
December 29, 2003

Date Effective
February 1, 2004

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Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

RGS

Residential Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for residential customers.

RATE

Customer Charge:	\$10.80 per delivery point per month
Charge Per 100 Cubic Feet:	
Distribution Cost Component	15.352¢
Gas Supply Cost Component	72.454
Total Charge Per 100 Cubic Feet	87.806¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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STANDARD RATE SCHEDULE

VFD

Volunteer Fire Department Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

RATE

Customer Charge: \$10.80 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	15.352¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	87.806¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

Date of Issue: December 29, 2003

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Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE

VFD

Volunteer Fire Department Service

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 29, 2003

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Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RATE SCHEDULE CGS
Firm Commercial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

RATE

Customer Charge

If all of the customer's meters have a capacity < 5000 cf/hr:	\$ 16.50 per delivery point per month
If any of the customer's meters have a capacity ≥ 5000 cf/hr:	\$117.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component	14.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	87.284¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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**STANDARD RATE SCHEDULE IGS
Firm Industrial Gas Service**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	14.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	87.284¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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STANDARD RATE SCHEDULE AAGS
As-Available Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate schedule is designed to make available to commercial and industrial customers quantities of natural gas that Company may from time to time have available for sale without impairment of service to customers served under other higher priority rate schedules, and which can be supplied from Company's existing distribution system, subject to the special conditions hereinafter set forth.

This rate shall not be available for gas loads which are predominantly space heating in character. In order to ensure that this rate schedule shall not be available for loads which are predominantly space heating in character and which do not consume substantial quantities of gas throughout the year, customers served hereunder shall be required to consume, when gas is available, at least 50 Mcf each day during each billing cycle at each individual Delivery Point.

Customers served under Rate G-6 and Rate G-7 as of the first effective date of this Rate AAGS shall have the right to elect service under Rate AAGS, Rate CGS, or Rate IGS. Such Customers that elect to transfer from either Rate G-6 or Rate G-7 to service under Rate AAGS may do so without complying with the requirement set forth above that customers served hereunder shall be required to consume, when gas is available, at least 50 Mcf each day during each billing cycle at each individual Delivery Point. Customers not electing service under either Rate CGS or Rate IGS shall receive service hereunder upon the first effective date hereof, irrespective of the November 1 start-date set forth in "Contract-Term" below.

COMPANY NOT OBLIGATED TO CONTINUE SERVICE

Company shall have the right to discontinue the supply of natural gas wholly or in part for such period or periods as, in the sole judgment of Company, may be necessary or advisable to enable it to supply the full gas requirements of its customers served under higher priority rate schedules. Nothing herein shall prevent Company from expanding its obligations under such other rate schedules. Company may decline to accept any additional contracts for service hereunder.

CONTRACT TERM

Customers served under Rate AAGS shall enter a written contract with Company more fully described in the Special Terms and Conditions of this rate schedule. The minimum contract term for service hereunder shall be for a period of at least one (1) year and shall commence on November 1 and be effective through the following October 31, and year to year thereafter, unless terminated by either Company or Customer upon prior written notice on or before the April 30 preceding the October 31 termination date.

Any customer served under Rate CGS or Rate IGS shall provide notice to Company by April 30 of its request for service to be effective commencing on the following November 1.

STANDARD RATE SCHEDULE AAGS
As-Available Gas Service

RATE

Customer Charge: \$150.00 per delivery point per month

Charge Per Mcf

Distribution Cost Component	\$.5053
Gas Supply Cost Component	<u>7.2454</u>
Total Charge Per Mcf	\$7.7507

The "Gas Supply Cost Component" as shown above is the cost per Mcf determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

PENALTY FOR FAILURE TO INTERRUPT

Company shall have the right to interrupt sales service under this rate schedule upon eighteen (18) hours' prior notice. Provision of oral notice by telephone to Customer shall be deemed proper notice of interruption of service under this rate schedule.

In addition to the charges set forth above, if the Customer fails to discontinue the consumption of natural gas at its facility at the conclusion of the eighteen- (18-) hour notice period, the Company may charge the Customer the following penalty for each Mcf used during the period of interruption in addition to any other remedy available to Company, including, but not limited to, immediate termination of service under this rate schedule, irrespective of the provisions set forth on "Contract Term", and immediate transfer by Company to either Rate CGS or Rate IGS, as applicable.

Customer shall be charged a per Mcf penalty charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion-South Point on the day to which such interruption of service is applicable, plus any other charges under this rate schedule for such unauthorized usage by Customer that occurs following the conclusion of the eighteen- (18-) hour notice of interruption by Company to Customer.

If Customer is delivering quantities of gas to Company pursuant to Rate TS during such period of interruption, the charge described in the immediately preceding paragraph shall be applicable only to those quantities used by customer in excess of those being delivered by Customer to Company.

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Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE AAGS
As-Available Gas Service

Company shall not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of this rate schedule. Payment of penalty charges hereunder shall not be considered an exclusive remedy for failure to comply with the notice of interruption, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

SPECIAL TERMS AND CONDITIONS

1. Service shall be supplied hereunder only at such times and in such volumes as Company, in its sole judgment, determines that gas is available for such service without impairment of service supplied under other rate schedules.
2. Each customer served hereunder shall be required to enter into a written contract specifying, among other things, realistic monthly requirements for gas under this rate schedule. Such volumes shall be used as the basis for apportionment of gas when the total customer requirements exceed the quantity of gas available for service hereunder.
3. The customer shall contract under this rate schedule for a specified quantity of gas stated in terms of maximum required deliveries in Mcf per day. On no day shall the Company be obligated to supply gas in excess of such contract quantity. In no case will Company be obligated to supply gas to Customer at greater volumes and greater rates of flow than those historically delivered by Company to Customer.
4. Customer shall discontinue taking service upon applicable notice by Company to do so.
5. No gas service whatsoever to Customer's equipment or process served hereunder shall be supplied or permitted to be taken under any other of the Company's gas rate schedules during periods of interruption.
6. Upon commencement of service hereunder, Customer shall be required to certify that Customer's alternate fuel facilities are operational and alternate fuel is on site and capable of use. LG&E may, at its discretion, verify such certification through physical inspection of Customer's facility. In the event that Customer does not have alternate fuel facilities, Customer shall certify that the processes which utilize gas delivered hereunder are capable of complete discontinuance of natural gas use. LG&E may request Customer to verify either of the foregoing alternatives on an annual basis on or before October 1 of each year. Failure of Customer to annually certify either of the above alternatives shall result, in the sole discretion of Company, in immediate termination of service under this rate schedule and the immediate transfer to the appropriate firm sales rate schedule, either Rate CGS or Rate IGS.
7. Service hereunder must be supplied through a separate meter and physically isolated from any other service provided by Company under other rate schedules.
8. Company shall not be obligated to install or construct any facilities (other than necessary meters and regulators) in order to provide service hereunder.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RATE SCHEDULE AAGS
As-Available Gas Service

9. Any Customer contracting for service hereunder, other than a Customer transferring from either Rate G-6 or Rate G-7 as stipulated above, may be required, in the sole discretion of Company, either prior to electing service hereunder or at anytime thereafter, to have appropriate remote metering devices. The remote metering devices allow the Company to monitor the Customer's usage and determine compliance with notice of interruption of service hereunder. The Customer shall be responsible for the cost of the remote metering equipment and the cost of its installation.

Any Customer required to have remote metering as described above shall be responsible for making any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in order to facilitate the installation and operation of such remote metering.

Any Customer required to have remote metering shall be responsible for providing the necessary and adequate electric and telephone service to provide this metering within thirty (30) days of Company's notice to Customer that such remote metering shall be required. Electric and telephone services installed for this equipment shall conform to Company's specifications. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide such remote metering.

LATE PAYMENT CHARGE

The bill shall be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 1% thereof, which amount shall be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto, to the extent that such Terms and Conditions are not in conflict, nor inconsistent, with the specific provisions hereof.

STANDARD RATE SCHEDULE TS
Gas Transportation Service/Standby

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate AAGS who consume at least 50 Mcf each day during the billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

	<u>CGS</u>	<u>IGS</u>	<u>AAGS</u>
Distribution Charge Per Mcf	\$1.4830	\$1.4830	\$.5053
Pipeline Supplier's Demand Component	<u>1.0966</u>	<u>1.0966</u>	<u>1.0966</u>
Total	\$2.5796	\$2.5796	\$1.6019

The "**Distribution Charge**" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's Gas Supply Clause.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

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STANDARD RATE SCHEDULE

TS

Gas Transportation Service/Standby

IMBALANCES

Company will calculate on a monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volumes}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volumes}}$$

**CASH-OUT PROVISION FOR POSITIVE MONTHLY IMBALANCES
(STANDBY SERVICE)**

Company will provide standby quantities of natural gas hereunder for purposes of supplying Customers' requirements should Customer be unable to obtain sufficient transportation volumes. Such standby service will be provided at the same rates and under the same terms and conditions as those set forth in the Company's applicable rate schedule under which it sells gas to Customer.

CASH-OUT PROVISION FOR NEGATIVE MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from customer at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the lowest daily mid-point price posted in "Gas Daily" for Dominion South Point during the month in which the negative imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly negative imbalance percentage to be applied as follows:

When Total Net
Negative Balance
Percentage is:

The following percentage shall
be multiplied by the above referenced
"Gas Daily" price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	90%
>10% to ≤15%	80%
>15% to ≤20%	70%
>20%	60%

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Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

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STANDARD RATE SCHEDULE

TS

Gas Transportation Service/Standby

The monthly imbalance percentages stated above will be used to calculate the cash-out price for negative imbalances that fall within each category. For example, a Customer with a negative monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

Variations in MMBtu Content:

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

SPECIAL TERMS AND CONDITIONS

1. Service under this rider shall be performed under a written contract between Customer and Company setting forth specific arrangements as to volumes to be transported by Company for Customer, points of delivery, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.
2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours' prior notice of any subsequent changes to scheduled deliveries.
3. In no case will Company be obligated to supply gas to Customer, including both gas sold to Customer and gas transported hereunder, at greater volumes and greater rates of flow than those historically purchased by Customer from Company.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its pipeline transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any Customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will provide standby quantities of natural gas to Customer as set forth in Customer's standard rate schedule CGS, IGS, or AAGS. In the event of an interruption of sales service to a Customer served under Rate AAGS, as provided for in that rate schedule, Company shall continue to deliver quantities of customer-owned natural gas in amounts equal to such quantities being delivered by pipeline transporter for Customer. During such periods of interruption, a Customer served under Rate AAGS shall not take quantities of natural gas in excess of those being delivered to Company on Customer's behalf. If Customer takes natural gas in excess of such quantities, Customer shall be subject to penalties in accordance with Company's Curtailment Rules.

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Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE TS
Gas Transportation Service/Standby

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to commercial and industrial customers who consume at least 50 Mcf each day at each individual Delivery Point, have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Company's system through the system of Company's Pipeline Transporter, and have requested Company to utilize its system to transport, by displacement, such customer-owned gas to Customer's place of utilization. Customers electing to transfer from another service shall notify Company on or before April 30 of each year in order to begin receiving service hereunder beginning November 1 of that year. Any such transportation service hereunder shall be conditioned on the Company being granted a reduction in billing demands by its Pipeline Transporter corresponding to the Customer's applicable transportation quantities.

Transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

CHARACTER OF SERVICE

Transportation service under this rate schedule shall be considered firm from the Receipt Point at Company's interconnection with its Pipeline Transporter ("Receipt Point") to the Delivery Point at the Customer's place of utilization ("Delivery Point"), subject to paragraph 6 of the Special Conditions.

The Company's sole obligation hereunder is to redeliver Customer's gas from the Receipt Point to the Delivery Point. Accordingly, Company has no obligation to deliver to the Customer a volume of gas, either daily or monthly, which differs from the volume delivered to the Company at the Receipt Point.

Company will provide service to meet imbalances only on an as-available basis. For purposes used herein, "Imbalances" are defined as the difference between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Point. When Company can provide such service, the Utilization Charge for Daily Imbalances shall apply to daily imbalances in excess of $\pm 10\%$ of the delivered volume of gas as set forth herein. Company shall issue an Operational Flow Order as set forth herein during periods when service cannot be provided to meet daily imbalances.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, and any other charges set forth herein, the following charges shall apply.

Administration Charge: \$90.00 per Delivery Point per month

Distribution Charge Per Mcf: \$0.43

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Louisville, Kentucky**

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**STANDARD RATE SCHEDULE FT
Firm Transportation Service (Non-Standby)**

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

IMBALANCES

Company will calculate on a daily and monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volume}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volume}}$$

The term daily shall mean the period of twenty-four (24) consecutive hours beginning at 10:00 a. m., Eastern Clock Time.

CASH-OUT PROVISION FOR MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from Customer at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the lowest daily mid-point price posted in "Gas Daily" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

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STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

When Total Net
Negative Imbalance
Percentage is:

The following percentage shall be
multiplied by the above-referenced
"Gas Daily" price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	90%
>10% to ≤15%	80%
>15% to ≤20%	70%
>20%	60%

If the monthly imbalance is positive (an under-delivery into the Company's system), Customer shall be billed for the monthly imbalance from Company at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the highest daily mid-point price posted in "Gas Daily" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

When Total Net
Positive Imbalance
Percentage is:

The following percentage shall be
multiplied by the above-referenced
"Gas Daily" price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	110%
>10% to ≤15%	120%
>15% to ≤20%	130%
>20%	140%

The monthly imbalance percentages stated above will be used to calculate the cash-out price for imbalances that fall within each category. For example, a Customer with a monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's monthly bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

VARIATIONS IN MMBTU CONTENT

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

UTILIZATION CHARGE FOR DAILY IMBALANCES

Should an imbalance exceed ±10% of the delivered volume of gas on any day when an Operational Flow Order (as described below) has not been issued, then Company shall charge the Utilization Charge for Daily Imbalances times the recorded imbalance greater than ±10% of the delivered volume of gas for each daily occurrence. The Utilization Charge for Daily Imbalances is the sum of the following:

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Louisville, Kentucky

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STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

Daily Demand Charge:	\$0.2607 per Mcf
Daily Storage Charge:	<u>0.1200</u>
Utilization Charge for Daily Imbalances:	\$0.3807 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.

These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed $\pm 10\%$ of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion South Point on the day for which the OFO was violated, plus any other charges under this rate schedule for such unauthorized receipts or deliveries that occur eighteen (18) hours after notice of the OFO is provided to the Customer or that fall outside the ± 10 percent imbalance tolerance regardless of the notice.

Company will not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of an OFO. Payment of charges hereunder shall not be considered an exclusive remedy for failure to comply with the OFO, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

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Louisville, Kentucky

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STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

OPTIONAL SALES AND PURCHASE TRANSACTION

Customer may agree to sell its natural gas supplies to Company, and Company may agree to purchase natural gas supplies from Customer under a written contract setting forth specific arrangements of the transaction. If Company purchases natural gas from Customer, such gas will not be redelivered to Customer, and Customer shall discontinue or otherwise interrupt the usage of such natural gas.

RETURN TO FIRM SALES SERVICE

Return to firm sales service is contingent upon the ability of Company to secure the appropriate quantities of gas supply and transportation capacity with the Company's Pipeline Transporter, as determined solely by the Company.

REMOTE METERING

Remote metering service shall be required as a prerequisite to the Customer obtaining service under this rate schedule. The remote metering devices will allow the Company to monitor the Customer's usage on a daily basis and bill the Customer.

The Customer shall be responsible for the cost of this remote metering equipment and the cost of its installation.

The Customer shall be responsible for making any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in order to facilitate the installation and operation of such remote metering.

The Customer shall be responsible for providing the necessary and adequate electric and telephone service to provide this metering by October 1st of the year that the Customer's Rate FT service becomes effective. Electric and telephone services installed for this equipment shall conform to Company's specifications. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide this metering.

SPECIAL TERMS AND CONDITIONS

1. Service under this rate schedule shall be performed under a written contract between Customer and Company setting forth specific arrangements as to the volumes to be transported by Company for Customer, Delivery Points, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.
2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours written notice of any subsequent changes to scheduled deliveries of natural gas flow. Company will not be obligated to utilize its underground storage capacity for purposes of this service.
3. In no case will Company be obligated to transport greater quantities hereunder than those specified in the written contract between Customer and Company.

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Louisville, Kentucky**

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its Pipeline Transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will not be obligated hereunder to provide standby quantities for purposes of supplying such Customer requirements.
8. Company shall not be required to render service under this rate schedule to any customer that fails to comply with any and all of the terms and conditions of this rate schedule.

TERMS AND CONDITIONS

Service under this rate is subject to Company's Terms and Conditions governing the supply of gas service as incorporated in this Tariff, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

Special Charges

The following charges will be applied uniformly throughout the Company's service territory. Each charge, as approved by the Public Service Commission, reflects only that revenue required to meet associated expenses.

RETURNED PAYMENT CHARGE

In those instances where a Customer renders payment to the Company which is not honored upon deposit by the Company, the Customer will be charged \$7.50 to cover the additional processing costs.

METER TEST CHARGE

Where the test of a meter is performed during normal working hours upon the written request of a Customer, pursuant to 807 KAR 5:006, Section 18, and the results show the meter was not more than two percent fast, the Customer will be charged \$69.00 to cover the test and transportation costs.

DISCONNECTING AND RECONNECTING SERVICE CHARGE

A charge of \$23.00 will be made to cover disconnection and reconnection of gas service when discontinued for non-payment of bills or for violation of the Company's Terms and Conditions, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00. No charge will be made for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.

Customers under Gas Rates RGS, CGS and IGS may request and be granted a temporary suspension of gas service. In the event of such temporary suspension, Company will make a charge of \$23.00 to cover disconnection and reconnection of gas service, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00.

INSPECTION CHARGE

With respect to customer's service line and house line inspections prior to initiation or resumption of gas service, the Company will make two such inspections without charge. When more than two trips are necessary to complete the inspections at any one location, a charge of \$135.00 will be made for each additional trip.

CHARGE FOR TEMPORARY AND SHORT TERM SERVICE

The customer shall pay the cost of all material, labor and expense incurred by the Company in supplying gas service for any temporary or short term use, in addition to the regular rates for service without pro-rating of rate blocks or minimum charges for service of less than thirty days in a regular meter reading period.

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STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS

APPLICABLE

To Gas Service Rate RGS.

AVAILABILITY OF SERVICE

Available to any customer who takes gas service under Rate RGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:	
Distribution Cost Component	10.352¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	82.806¢

All consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1, and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

For each of the aforesaid billing periods, all gas consumption in excess of 5,000 cubic feet per single family dwelling unit shall be taken as the Summer Air Conditioning Consumption.

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STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS

APPLICABLE

To Gas Service Rate CGS.

AVAILABILITY OF SERVICE

Available to any customer who takes gas service under Rate CGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:

Distribution Cost Component	9.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	82.284¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1, and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

- Where the only gas usage during the aforesaid June through October billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such periods shall all be taken as the Summer Air Conditioning Consumption.

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STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS

2. Where gas is used during the aforesaid June through October billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the November through May billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate CGS.
3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

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OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

APPLICABLE

To Gas Service Rate IGS.

AVAILABILITY OF SERVICE

Available to any customer who takes gas service under Rate IGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:

Distribution Cost Component	9.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	82.284¢

All consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1, and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

- Where the only gas usage during the aforesaid June through October billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such June through October periods shall all be taken as the Summer Air Conditioning Consumption.

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STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

2. Where gas is used during the aforesaid June through October billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the November through May billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate IGS.
3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer

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Louisville, Kentucky**

STANDARD RIDER

PS-TS

Pooling Service – Rate TS

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to "TS Pool Managers".

For the purpose of this rider a "TS Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate TS to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

RATE

In addition to any charges billed directly to TS Pool Manager or Customer as a result of the application of Rate TS or this rider, the following charge shall apply:

PS-TS Pool Administration Charge: \$75 per customer in TS Pool per month

CHARACTER OF SERVICE

Service under this rider allows a TS Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more standby sales transportation customers that comprise a PS-TS Pool.

The TS Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Cash-Out Provision of Rate TS shall be applied against the aggregate volume of all customers in a specific pool. The TS Pool Manager will be responsible for the payment of the PS-TS Pool Administration Charge and any Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate TS.

TERMS AND CONDITIONS

1. No customer shall participate in a TS Pool that does not individually meet the availability conditions of Rate TS, and no customer shall participate in more than one pool concurrently. Likewise, customers served under As Available Gas Service Rate AAGS cannot be in the same pool with customers served under other sales rates.
2. To receive service hereunder, the PS-TS Pool Manager shall enter into a PS-TS Pool Management Agreement with Company and shall submit a PS-TS Application/Agency Agreement for each member of the pool, signed by both Customer and its TS Pool Manager. The PS-TS Pool Management Agreement shall set forth the specific obligations of the TS Pool Manager and Company under this rider. The PS-TS Application/Agency Agreement shall set forth the members of the pool.

The TS Pool Manager shall submit a signed PS-TS Pool Management Agreement and a PS-TS Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the TS Pool Manager of the date when service hereunder will commence. A customer who terminates service under this rider or who desires to change TS Pool Managers shall likewise provide Company with a written notice at least four weeks prior to the end of a billing period.

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Louisville, Kentucky**

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STANDARD RIDER

PS-TS

Pooling Service – Rate TS

3. The TS Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure TS Pool Manager's performance of its obligations under the PS-TS Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of a TS Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-TS Pool members, the general credit worthiness of the TS Pool Manager, and the TS Pool Manager's prior credit record with the Company, if any. In the event that the TS Pool Manager defaults on its obligations under this rider or the PS-TS Pool Management Agreement, Company shall have the right to use such cash deposit, or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy TS Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-TS Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
4. The TS Pool Manager shall provide Company with the written consent, in the form of a PS-TS Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the TS Pool Manager may provide written consent in the form of a PS-TS Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-TS Application/Agency Agreement.
5. The PS-TS Pool Management Agreement will be terminated by the Company upon four weeks written notice if a TS Pool Manager fails to meet any condition of this rider and/or Rate TS. The PS-TS Pool Management Agreement will also be terminated by the Company upon four weeks written notice if the TS Pool Manager has payments in arrears. Written notice of termination of the PS-TS Pool Management Agreement shall be provided both to the TS Pool Manager and to the individual members of the pool by the Company.
6. Company shall directly bill the TS Pool Manager for the PS-TS Pool Administration Charge, monthly cash-out charges or payments contained in Rate TS. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill then the TS Pool Manager will be considered in default.
7. Company shall directly bill the individual customers in the pool for all Distribution Charges, Customer Charges, and Administrative Charges as provided for in either Rate TS or Customer's otherwise applicable sales rate schedule to which Rate TS is a Rider.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RIDER

PS-FT

Pooling Service – Rate FT

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to "FT Pool Managers".

For the purpose of this rider a "FT Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate FT to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

RATE

In addition to any charges billed directly to FT Pool Manager or Customer as a result of the application of Rate FT or this rider, the following charge shall apply:

PS-FT Pool Administration Charge: \$75 per customer in FT Pool per month

CHARACTER OF SERVICE

Service under this rider allows an FT Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more firm transportation customers that comprise a PS-FT Pool.

The FT Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Daily Utilization Charge, OFO Penalty and Cash-Out Provision of Rate FT shall be applied against the aggregate volume of all customers in a specific pool. The FT Pool Manager will be responsible for the payment of the PS-FT Pool Administration Charge and any Daily Utilization Charges, OFO penalties or Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate FT. For purposes of this rider the Daily Utilization Charge shall apply to daily imbalances that exceed $\pm 5\%$, instead of the $\pm 10\%$ otherwise applicable in Rate FT. Company shall issue an Operational Flow Order as set forth in Rate FT to the FT Pool Manager during periods when service cannot be provided to meet daily imbalances.

TERMS AND CONDITIONS

1. No customer shall participate in an FT Pool that does not individually meet the availability conditions of Rate FT, and no customer shall participate in more than one pool concurrently. Unless a Customer meets the provisions of the Remote Metering requirement under Rate FT, that Customer shall not participate in a pool.
2. To receive service hereunder, the FT Pool Manager shall enter into a PS-FT Pool Management Agreement with Company and shall submit a PS-FT Application/Agency Agreement for each member of the pool, signed by both Customer and its Pool Manager. The PS-FT Pool Management Agreement shall set forth the specific obligations of the FT Pool Manager and Company under this rider. The PS-FT Application/Agency Agreement shall set forth the members of the pool.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RIDER

PS-FT

Pooling Service – Rate FT

The FT Pool Manager shall submit a signed PS-FT Pool Management Agreement and a PS-FT Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the FT Pool Manager of the date when service hereunder will commence. A customer who terminates service under this rider or who desires to change FT Pool Managers shall likewise provide Company with a written notice at least four weeks prior to the end of a billing period.

3. The FT Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure FT Pool Manager's performance of its obligations under the PS-FT Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of an FT Pool Manager, Company shall consider such factors, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-FT Pool members, the general credit worthiness of the FT Pool Manager, and the FT Pool Manager's prior credit record with the Company, if any. In the event that the FT Pool Manager defaults on its obligations under this rider or the PS-FT Pool Management Agreement, Company shall have the right to use such cash deposit, or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy FT Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-FT Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
4. The FT Pool Manager shall provide Company with the written consent, in the form of a PS-FT Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the FT Pool Manager may provide written consent in the form of a PS-FT Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-FT Application/Agency Agreement.
5. The PS-FT Pool Management Agreement will be terminated by the Company upon four weeks written notice if an FT Pool Manager fails to meet any condition of this rider and/or Rate FT. The PS-FT Pool Management Agreement will also be terminated by the Company upon four weeks written notice if the FT Pool Manager has payments in arrears. Written notice of termination of the PS-FT Pool Management Agreement shall be provided both to the FT Pool Manager and to the individual members of the pool by the Company.
6. Company shall directly bill the FT Pool Manager for the PS-FT Pool Administration Charge, Utilization Charge for Daily Imbalances, monthly cash-out charges or payments, and unauthorized overrun charges under an OFO contained in Rate FT. The bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill, then the FT Pool Manager will be considered in default.
7. Company shall directly bill the individual customers in the pool for all Distribution Charges, Administrative Charges, and remote metering charges or payments provided for in Rate FT.

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**Michael S. Beer, Vice President
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STANDARD RIDER

EF

Excess Facilities

APPLICABILITY

In all territory served.

AVAILABILITY OF SERVICE

This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by the Company. This rider does not apply to main extensions or to other facilities which are necessary to provide basic gas service. The Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where the Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term. Customers currently being served under the Excess Facilities Rider pursuant to Original Sheet No. 14-A and 14-B of LG&E's Tariff PSC. of Ky. Gas No. 5, shall continue to be served thereunder.

DEFINITION OF EXCESS FACILITIES

Excess facilities are equipment and devices which are installed in addition to or in substitution for the normal facilities required to render basic gas service. Applications of excess facilities include, but are not limited to, emergency backup feeds, automatic transfer switches, redundant transformer capacity, and duplicate or check meters.

LEASED FACILITIES CHARGE

The customer shall pay for excess facilities through a contribution in aid of construction, which may take the form of a one-time payment or a Carrying Cost Charge based on the installed cost of the facilities.

Monthly Rates

Carrying Cost	Operating Expenses
0.94%	0.68%

The percentage rates are applied to the installed cost of the excess facilities

PAYMENT

The Excess Facilities Charges shall be incorporated with the bill for gas service and will be subject to the same payment provisions.

TERM OF CONTRACT

The initial term of contract to the customer under this schedule shall be not less than 5 years. The term shall continue automatically until terminated by either party upon at least one month's written notice.

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STANDARD RIDER

RBS

Reserved Balancing Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT" or to FT Pool Managers served under Pooling Service-Rate FT.

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 7.9300 per Mcf
Monthly Balancing Charges:	<u>3.6500</u>
Total:	\$11.5800 per Mcf

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed $\pm 10\%$ of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from the difference calculated above. If the result is a negative number, no Utilization Charge for Daily Imbalances will be applied. If the result is positive the Utilization Charge for Daily Imbalances will be applied to the positive value.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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STANDARD RIDER

RBS

Reserved Balancing Service

Except as specifically provided for herein, all rates, terms and conditions of Rate FT shall apply, including but not limited to the DSM Cost Recovery and Cash-Out Provisions for Monthly Imbalances. The Monthly Imbalance and Monthly Imbalance percentage used in the Cash-Out Provision for monthly imbalances shall not be adjusted by the Reserved Balanced Volume contracted for hereunder.

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**Michael S. Beer, Vice President
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Louisville Gas and Electric Company

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	63.665¢
Gas Cost Actual Adjustment (GCAA)	8.407
Gas Cost Balance Adjustment (GCBA)	(0.023)
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:	
None Applicable	
Performance-Based Rate Recovery Component (PBRRC)	<u>0.405</u>
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	72.454¢

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Michael S. Beer, Vice President
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STANDARD RATE SCHEDULE GSC
Gas Supply Clause

The bill amount computed under each of the rate schedules to which this Gas Supply Clause is applicable shall include a Gas Supply Cost Component per 100 cubic feet of consumption calculated for each three-month period in accordance with the following formula:

$$\text{GSCC} = \text{Gas Supply Cost} + \text{GCAA} + \text{GCBA} + \text{RF} + \text{PBRRC}$$

where:

Gas Supply Cost is the expected average cost per 100 cubic feet for each three-month period determined by dividing the sum of the monthly gas supply costs by the expected deliveries to customers. Monthly gas supply cost is composed of the following:

- (a) Expected total purchases at the filed rates of Company's wholesale supplier of natural gas, plus
- (b) Other gas purchases for system supply, minus
- (c) Portion of such purchase cost expected to be used for non-Gas Department purposes, minus
- (d) Portion of such purchase cost expected to be injected into underground storage, plus
- (e) Expected underground storage withdrawals at the average unit cost of working gas contained therein;

(GCAA) is the Gas Cost Actual Adjustment per 100 cubic feet which compensates for differences between the previous quarter's expected gas cost and the actual cost of gas during that quarter.

(GCBA) is the Gas Cost Balance Adjustment per 100 cubic feet which compensates for any under- or over-collections which have occurred as a result of prior adjustments.

(RF) is the sum of the Refund Factors set forth on Sheet No. 12 of this Tariff.

(PBRRC) is the amount per 100 cubic feet calculated pursuant to the Experimental Performance-Based Rate Mechanism contained in the Standard Rate Schedule PBR. The PBRRC is determined for each 12-month PBR period ended October 31.

Company shall file a revised Gas Supply Cost Component (GSCC) every three months giving effect to known changes in the wholesale cost of all gas purchases and the cost of gas deliveries from underground storage. Such filing shall be made at least thirty days prior to the beginning of each three-month period and shall include the following information:

1. A copy of the tariff rate of Company's wholesale gas supplier applicable to such three-month period.
2. A statement, through the most recent three-month period for which figures are available, setting out the accumulated costs recovered hereunder compared to actual gas supply costs recorded on the books.
3. A statement setting forth the supporting calculations of the Gas Supply Cost and the Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) applicable to such three-month period.

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**Michael S. Beer, Vice President
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STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

To allow for the effect of Company's cycle billing, each change in the GSCC shall be placed into effect with service rendered on and after the first day of each three-month period.

In the event that the Company receives from its supplier a refund of amounts paid to such supplier with respect to a prior period, the Company will make adjustments in the amounts charged to its customers under this provision, as follows:

1. The "Refundable Amount" shall be the amount received by the Company as a refund less any portion thereof applicable to gas purchased for electric energy production. Such Refundable Amount shall be divided by the number of hundred cubic feet of gas that company estimates it will sell to its customers during the twelve-month period which commences with implementation of the next Gas Supply Clause filing, thus determining a "Refund Factor."
2. Effective with the implementation of the next Gas Supply Clause filing, the Company will reduce, by the Refund Factor so determined, the Gas Supply Cost Component that would otherwise be applicable during the subsequent twelve-month period. Provided, however, that the period of reduced Gas Supply Cost Component will be adjusted, if necessary, in order to refund, as nearly as possible, the Refundable Amount.
3. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission of Kentucky for the right to depart from the refund procedure herein set forth.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

STANDARD RATE SCHEDULE

DSMRM

Demand-Side Management Cost Recovery Mechanism

APPLICABLE TO:

Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Summer Air Conditioning Rider to Rates RGS, CGS and IGS, As Available Gas Service Rate AAGS, Standby Gas Transportation Rate TS, and Firm Gas Transportation Rate FT. Any industrial customers who also receive electric service under Industrial Power Rate LP and Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism.

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The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption in accordance with the following formula:

$$DSMRC = DCR + DRLS + DSMI + DBA$$

Where: **DCR = DSM COST RECOVERY.** The DCR shall include all expected costs which have been approved by the Commission for each twelve-month period for demand-side management programs which have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program.

The cost of approved programs shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DCR for such rate class.

DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff and will be recovered as follows:

For each upcoming twelve-month period, the estimated reduction in customer usage (in Ccf) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per Ccf for purposes of determining the lost revenue to be recovered hereunder. Non-variable revenue requirement is defined as the weighted average price per Ccf represented by the composite of the expected Distribution Cost Component billings for the customer classes.

The lost revenues for each customer class shall then be divided by the estimated class sales (in Ccf) for the upcoming twelve-month period to determine the applicable DRLS surcharge.

STANDARD RATE SCHEDULE DSMRM
Demand-Side Management Cost Recovery Mechanism

Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case. For recovery purposes, the lost sales revenues will be assigned to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

DSMI = DSM INCENTIVE. For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs which are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of LG&E's avoided costs over the expected life of the program, and will include both capacity and energy savings. For Energy Education and Direct Load Control Programs, the DSM incentive amount shall be computed by multiplying the annual cost of the approved programs which are to be installed during the upcoming twelve-month period times five (5) percent.

The DSM incentive amount shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DSMI. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

DBA = DSM BALANCE ADJUSTMENT. The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI and previous application of the DBA and the revenues which should have been billed, as follows:

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.

STANDARD RATE SCHEDULE DSMRM
Demand-Side Management Cost Recovery Mechanism

- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) The DBA, the balance adjustment amount will be determined by calculating the difference between the amount billed during the twelve-month period from application of the DBA unit charges and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period. The balance adjustment amounts, plus interest, shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DBA for each rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes to which over- or under-recoveries of DSM amounts were realized.

The filing of modifications to the DSMRC which require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing. Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

STANDARD RATE SCHEDULE DSMRM
Demand-Side Management Cost Recovery Mechanism

Applicable to: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, As Available Gas Service Rate AAGS, Rate TS, Rate FT, and Summer Air Conditioning Rider.

As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

DSM Cost Recovery Component (DSMRC):

<u>Residential Customers Served Under Residential Rate RGS and RGS Summer Air Conditioning Rider</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR):	00.418 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.043 ¢/Ccf
DSM Incentive (DSMI):	00.025 ¢/Ccf
DSM Balance Adjustment (DBA):	(00.121) ¢/Ccf
 DSMRC Rate RGS:	 00.365 ¢/Ccf

Commercial Customers Served Under Firm Commercial Gas Service Rate CGS, As Available Gas Service Rate AAGS, Rate TS, Rate FT, and CGS Summer Air Conditioning Rider

DSM Cost Recovery Component (DCR):	00.006 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.001 ¢/Ccf
DSM Incentive (DSMI):	00.000 ¢/Ccf
DSM Balance Adjustment (DBA):	00.177 ¢/Ccf
 DSMRC Rate CGS:	 00.184 ¢/Ccf

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Louisville, Kentucky**

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STANDARD RATE SCHEDULE DSMRM
Demand-Side Management Cost Recovery Mechanism

DSM Cost Recovery Component (DSMRC):

(Continued)

Industrial Customers Served Under Firm
Industrial Gas Service Rate IGS, As Available
Gas Service Rate AAGS, Rate TS, Rate FT
and IGS Summer Air Conditioning Rider

Energy Charge

DSM Cost Recovery Component (DCR):	00.000 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.000 ¢/Ccf
DSM Incentive (DSMI):	00.000 ¢/Ccf
DSM Balance Adjustment (DBA):	00.000 ¢/Ccf
 DSMRC Rate IGS:	 00.000 ¢/Ccf

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STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism

APPLICABLE

To all gas sold.

RATE MECHANISM

The monthly amount computed under each of the rate schedules to which this Performance Based Ratemaking Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Component (PBRRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the Pipeline Supplier's Demand Component and the Gas Supply Cost Component of the Gas Supply Clause (GSC), respectively. The PBRRC shall be determined for each 12-month period ended October 31 during the effective term of this experimental performance based ratemaking mechanism, which 12-month period shall be defined as the PBR period.

The PBRRC shall be computed in accordance with the following formula:

$$PBRRC = \frac{CSPBR + BA}{ES}$$

Where:

ES = Expected Ccf sales, as reflected in the Company's GSC filing for the upcoming 12-month period beginning February 1.

CSPBR = Company Share of Performance Based Ratemaking Mechanism savings or expenses. The CSPBR shall be calculated as follows:

$$CSPBR = TPBRR \times ACSP$$

Where:

TPBRR = Total Performance Based Ratemaking Results. The TPBRR shall be savings or expenses created during the PBR Period. TPBRR shall be calculated as follows:

$$TPBRR = (GAIF + TIF + OSSIF)$$

GAIF

GAIF = Gas Acquisition Index Factor. The GAIF shall be calculated by comparing the total annual Benchmark Gas Costs (BGC) for system supply natural gas purchases for the PBR period to the total annual Actual Gas Costs (AGC) for system supply natural gas purchases during the same period to determine if any Shared Expenses or Shared Savings exist.

The BGC shall include two benchmark components as follows:

$$BGC = TABMGCC + HRF$$

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism

Where:

TABMGCC represents the Total Annual Benchmark Gas Commodity Costs and is the annual sum of the monthly Benchmark Gas Commodity Costs (**BMGCC**) of gas purchased for system supply; and

HRF represents Historical Reservation Fees and is an annual dollar amount equal to Company's average annual supply reservation fees based on the 24-month period ended October 31 immediately preceding the PBR period.

BMGCC represents Benchmark Gas Commodity Costs and shall be calculated on a monthly basis and accumulated for the PBR period. **BMGCC** shall be calculated as follows:

$$\text{BMGCC} = \text{Sum } \{[\text{SZFQE}\%_i \times (\text{APV} - \text{PEFDCQ}) \times \text{SAI}_i]\} + [\text{PEFDCQ} \times \text{DAI}]$$

Where:

SZFQE% is the Supply Zone Firm Quantity Entitlement Percentage derived from Company's firm entitlements by pipeline and by zone for which indices are posted. The percentage represents the pro-rata portion of Company's firm lateral and mainline receipt point quantity entitlements by zone for each transportation contract by pipeline.

i represents each supply area.

APV is the actual purchased volumes of natural gas for system supply for the month. The APV shall include purchases necessary to cover retention volumes required by the pipeline as fuel.

PEFDCQ are the Purchases In Excess of Firm Daily Contract Quantities delivered to Company's city gate. Firm Daily Contract Quantities are the maximum daily contract quantities which Company can deliver to its city gate under its various firm transportation agreements and arrangements.

SAI is the Supply Area Index factor to be established for each supply area in which Company has firm transportation entitlements used to transport its natural gas purchases and for which price postings are available. The four supply areas are TGT-SL (Texas Gas Transmission - Zone SL), TGT-1 (Texas Gas Transmission -Zone 1), TGPL-0 (Tennessee Gas Pipeline - Zone 0), and TGPL-1 (Tennessee Gas Pipeline - Zone 1).

The monthly SAI for TGT-SL, TGT-1, TGPL-0 and TGPL-1 shall be calculated using the following formula:

$$\text{SAI} = [I(1) + I(2) + I(3)] / 3$$

DAI is the Delivery Area Index to be established for purchases made by Company when Company has fully utilized its pipeline quantity entitlements on a daily basis and which are for delivery to Company's city gate from either Texas Gas Transmission's Zone 4 or Tennessee Gas Pipeline's Zone 2.

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

The monthly DAI for TGT-4 and TGPL-2 shall be calculated using the following formula:

$$DAI = [I(1) + I(2) + I(3)] / 3$$

Where:

I represents each index reflective of both supply area prices and price changes throughout the month in these various supply areas.

The indices for each supply zone are as follows:

SAI (TGT-SL)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for Louisiana - Onshore South Texas Gas Zone SL averaged for the month.

I(3) is the *Inside FERC's Gas Market Report* first-of-the-month posting for Texas Gas Zone SL.

SAI (TGT-1)

I(1) is the average of weekly *Natural Gas Week* postings for North Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for East Texas - North Louisiana Area -Texas Gas Entire Zone 1 averaged for the month.

I(3) is the *Inside FERC's Gas Market Report* first-of-the-month posting for Texas Gas Zone1.

SAI (TGPL-0)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Texas as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for South - Corpus Christi-Tennessee averaged for the month.

I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee Zone 0.

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism

SAI (TGPL-1)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for Louisiana - Onshore South - Tennessee 500 Leg averaged for the month.

I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee Zone 1.

DAI (TGT-4) and (TGPL-2)

I(1) is the average of weekly *Natural Gas Week* postings for Spot Prices on Interstate Pipeline Systems for Dominion - South.

I(2) is the average of the daily high and low *Gas Daily* postings for the Daily Price Survey for Appalachia - Dominion South Point.

I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Prices of Spot Gas Delivered to Pipeline for Dominion Transmission Inc. - Appalachia.

AGC represents Company's total annual Actual Gas Costs of natural gas purchased for system supply and is equal to the total monthly actual gas commodity costs and supply reservation fees plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments paid by Company to its suppliers accumulated for the PBR period. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that AGC exceeds BGC for the PBR period, then the GAIF Shared Expenses shall be computed as follows:

$$\text{Shared Expenses} = \text{AGC} - \text{BGC}$$

To the extent that AGC is less than BGC for the PBR period, then the GAIF Shared Savings shall be computed as follows:

$$\text{Shared Savings} = \text{BGC} - \text{AGC}$$

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism

TIF

TIF = Transportation Index Factor. The Transportation Index Factor shall be calculated by comparing the Total Annual Benchmark Monthly Gas Transportation Costs (**TABMGTC**) of natural gas transportation services during the PBR period, to the Total Annual Actual Gas Transportation Costs (**TAAGTC**) applicable to the same period to determine if any Shared Expenses or Shared Savings exist.

The Total Annual Benchmark Monthly Gas Transportation Costs (**TABMGTC**) are calculated as follows:

$$\mathbf{TABMGTC = Annual\ Sum\ of\ Monthly\ BMGTC}$$

Where:

BMGTC is the Benchmark Monthly Gas Transportation Costs which include both demand and volumetric costs associated with natural gas pipeline transportation services. The **BMGTC** shall be accumulated for the PBR period and shall be calculated as follows:

$$\mathbf{BMGTC = Sum\ [BM(TGT) + BM(TGPL) + BM(PPL)]}$$

Where:

BM(TGT) is the benchmark associated with Texas Gas Transmission Corporation.

BM(TGPL) is the benchmark associated with Tennessee Gas Pipeline Company.

BM(PPL) is the benchmark associated with a proxy pipeline. The appropriate benchmark, which will be determined at the time of purchase, will be used to benchmark purchases of transportation capacity from non-traditional sources.

The benchmark associated with each pipeline shall be calculated as follows:

$$\mathbf{BM(TGT) = (TPDR \times DQ) + (TPCR \times AV) + S\&DB}$$

$$\mathbf{BM(TGPL) = (TPDR \times DQ) + (TPCR \times AV) + S\&DB}$$

$$\mathbf{BM(PPL) = (TPDR \times DQ) + (TPCR \times AV) + S\&DB}$$

Where:

TPDR is the applicable Tariffed Pipeline Demand Rate.

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism

DQ is the Demand Quantities contracted for by Company from the applicable transportation provider.

TPCR is the applicable Tariffed Pipeline Commodity Rate.

AV is the Actual Volumes delivered at Company's city-gate by the applicable transportation provider for the month.

S&DB represents Surcharges, Direct Bills and other applicable amounts approved by the Federal Energy Regulatory Commission (FERC). Such amounts are limited to FERC-approved charges such as surcharges, direct bills, cashouts, take-or-pay amounts, Gas Supply Realignment and other Order 636 transition costs.

The Total Annual Actual Gas Transportation Costs (**TAAGTC**) paid by Company for the PBR period shall include both demand and volumetric costs associated with natural gas pipeline transportation services as well as all applicable FERC-approved surcharges, direct bills and cashouts included in S&DB, plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that TAAGTC exceeds TABMGTC for the PBR period, then the TIF Shared Expenses shall be computed as follows:

$$\text{Shared Expenses} = \text{TAAGTC} - \text{TABMGTC}$$

To the extent that TAAGTC is less than TABMGTC for the PBR period, then the TIF Shared Savings shall be computed as follows:

$$\text{Shared Savings} = \text{TABMGTC} - \text{TAAGTC}$$

Should one of Company's pipeline transporters file a rate change effective during any PBR period and bill such proposed rates subject to refund, the period over which the benchmark comparison is made for the relevant transportation costs will be extended for one or more 12-month periods, until the FERC has approved final settled rates, which will be used as the appropriate benchmark. Company will not share in any of the savings or expenses related to the affected pipeline until final settled rates are approved.

OSSIF

OSSIF = Off-System Sales Index Factor. The Off-System Sales Index Factor shall be equal to the Net Revenue from Off-System Sales (**NR**).

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Louisville, Kentucky**

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

Net Revenue is calculated as follows:

$$NR = OSREV - OOPC$$

Where:

OSREV is the total revenue associated with off-system sales and storage service transactions.

OOPC is the out-of-pocket costs associated with off-system sales and storage service transactions, and shall be determined as follows:

$$OOPC = OOPC(GC) + OOPC(TC) + OOPC(SC) + OOPC(UGSC) + \text{Other Costs}$$

Where:

OOPC(GC) is the Out-of-Pocket Gas Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm supply contracts, the OOPC(GC) shall be the incremental cost to purchase the gas available under Company's firm supply contracts. For off-system sales not using Company's firm supply contracts, the OOPC(GC) shall be the incremental costs to purchase the gas from other entities.

OOPC(TC) is the Out-of-Pocket Transportation Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm transportation agreements, the OOPC(TC) shall be the incremental cost to use the transportation available under Company's firm supply contracts. For off-system sales not using Company's firm transportation agreements, the OOPC(TC) shall be the incremental costs to purchase the transportation from other entities.

OOPC(SC) is the Out-of-Pocket Storage Costs associated with off-system sales of storage. If this is gas in Company's own storage it shall be priced at the average price of the gas in Company's storage during the month of the sale. If this is gas from the storage component of Texas Gas's No-Notice Service, this gas shall be priced at the replacement cost.

OOPC(UGSC) is the Out-of-Pocket Underground Storage Costs associated with off-system sales of storage services. For the off-systems sales of storage services utilizing Company's on-system storage, the OOPC(UGSC) shall include incremental storage losses, odorization, and other fuel-related costs such as purification, dehydration, and compression. Such costs shall exclude labor-related expenses.

Other Costs represent all other incremental costs and include, but are not limited to, costs such as applicable sales taxes and excise fees plus the gains and/or losses from the use of financial hedging instruments and the transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

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Louisville, Kentucky

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

ACSP

ACSP = Applicable Company Sharing Percentage. The ACSP shall be determined based on the PTAGSC.

Where:

PTAGSC = Percentage of Total Actual Gas Supply Costs. The PTAGSC shall be the TPBRR stated as a Percentage of Total Actual Gas Supply Costs and shall be calculated as follows:

$$\text{PTAGSC} = \frac{\text{TPBRR}}{\text{TAGSC}}$$

Where:

TAGSC = Total Actual Gas Supply Costs. The TAGSC shall be calculated as follows:

$$\text{TAGSC} = \text{AGC} + \text{TAAGTC}$$

If the absolute value of the PTAGSC is less than or equal to 4.5%, then the ACSP of 25% shall be applied to TPBRR to determine CSPBR. If the absolute value of the PTAGSC is greater than 4.5%, then the ACSP of 25% shall be applied to the amount of TPBRR that is equal to 4.5% of TAGSC to determine a portion of CSPBR, and the ACSP of 50% shall be applied to the amount of TPBRR that is in excess of 4.5% of TAGSC to determine a portion of CSPBR. These two portions are added together to produce the total CSPBR.

BA

BA = Balance Adjustment. The BA is used to reconcile the difference between the amount of revenues billed or credited through the CSPBR and previous application of the BA and revenues which should have been billed or credited, as follows:

- 1) For the CSPBR, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the CSPBR and the actual amount used to establish the CSPBR for the period.
- 2) For the BA, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the BA and the actual amount used to establish the BA for the period.

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism

Review

Within 60 days of the end of the third year of the four-year extension, the Company will file an assessment and review of the PBR mechanism for the first three years of the extension period. In that report and assessment, the Company will make any recommended modifications to the PBR mechanism.

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Louisville, Kentucky**

STANDARD RIDER

WNA

Weather Normalization Adjustment Clause Applicable to Rates RGS and CGS

WEATHER NORMALIZATION ADJUSTMENT (WNA)

The sales to Residential and Commercial Customers under Rate Schedules RGS and CGS shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

Determination of WNA

Weather normalized volumes shall be utilized during the November through April billing periods to calculate the non-gas portion of the bills of all heating Customers served under Rate Schedules RGS and CGS. During the remainder of the year, May through October, the bills shall be computed based on actual consumption.

Weather Normalization Adjustment will be calculated using the following formula:

$$\text{WNA} = [(\text{Actual Mcf} - \text{Base Load Mcf}) * (\text{Normal Degree Days}/\text{Actual Degree Days})]$$

Each Customer's base load will be determined individually, and will be recomputed annually. Rates used in the computation of the WNA shall be determined based on the applicable base rate charge as set forth on the RGS and CGS Rate Schedules.

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STANDARD RIDER

Franchise Fee and Local Tax

APPLICABILITY

All gas rate schedules.

MONTHLY CHARGE

A surcharge shall be calculated and added to the total bill for gas service for all customers located within local governmental jurisdictions which impose municipal franchise fees or other local taxes on the Company by ordinance, franchise, or otherwise. Such fees or taxes shall be net of any corresponding fees or taxes which are currently included in the base charges of each rate schedule.

The amount calculated shall be applied exclusively to the bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. The fee or tax shall be added to the customer's bill as a separate item. Where more than one such fee or tax is imposed, each of the fees or taxes applicable to each customer shall be added to the bills as separately identified items.

Customers receiving service in the following local jurisdictions shall pay the applicable franchise fee or local tax based on the following effective rates:

<u>Municipality or Political Subdivision</u>	<u>Franchise Fee or Local Tax Rate</u>
City of Radcliff, Kentucky	3% of Gross Receipts

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Louisville Gas and Electric Company

Original Sheet No. 75
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

VDSR

Value Delivery Surcredit Rider

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To all gas rate schedules.

RATE

The billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Value Delivery Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Value Delivery Surcredit Factor} = \text{VDS} + \text{BA}$$

Where:

(VDS) is the Value Delivery Surcredit which is based on the total Company net savings that are to be distributed to the Company's customers in each 12-month period.

	Net Savings to be Distributed	Value Delivery Surcredit (VDS)
Year 1, Dec 1, 2001 to Dec 31, 2001	\$ 120,000	0.27%
Year 2, Jan 1, 2002 to Dec 31, 2002	\$ 320,000	0.12%
Year 3, Jan 1, 2003 to Dec 31, 2003	\$1,240,000	0.54%
Year 4, Jan 1, 2004 to Dec 31, 2004	\$1,520,000	0.65%
Year 5, Jan 1, 2005 to Dec 31, 2005	\$1,800,000	0.72%
Year 6, Jan 1, 2006 to Mar 31, 2006	\$ 440,000	0.39%

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Value Delivery Surcredit Factor from the previous year by the expected retail gas revenues. The final Balancing Adjustment will be applied to customer billings in the second month following the fifth distribution year.

TERMS OF DISTRIBUTION

- (1) The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
- (2) In the event that the actual net savings to the customers differs from the values shown under "Net Savings to be Distributed" an adjustment shall be made to Year 6 via the Balancing Adjustment. The determination of any such adjustment shall be reported to the Commission when it becomes available.
- (3) On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the

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STANDARD RIDER

VDSR

Value Delivery Surcredit Rider

amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under-distributions.

- (4) The Value Delivery Surcredit shall be applied to the customer's bill following the rates and charges for gas service, but before application of the school tax, the franchise fee, sales tax or similar items.
- (5) The Value Delivery Surcredit shall be withdrawn with application of the final Balancing Adjustment following Year 6.

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STANDARD RIDER

ST

School Tax

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is applied as a rate increase to all other schedules pursuant to KRS 160.617 for the recovery by the utility of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

RATE

The utility gross receipts license tax imposed by the county but not to exceed 3%.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

**TERMS AND CONDITIONS
Customer Bill of Rights**

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days, you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March.
- If you have been disconnected due to non-payment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
 - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
 - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
 - 3) Accept referral to the Human Resources' Weatherization Program, and
 - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.

You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (call Toll Free 1-800-772-4636).

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS

General

COMMISSION RULES AND REGULATIONS

All gas service supplied by the Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

COMPANY TERMS AND CONDITIONS.

In addition to the rules and regulations of the Commission, all gas service supplied by the Company shall be in accordance with these "Terms and Conditions" which shall constitute a part of all applications and contracts for service.

RATES, TERMS AND CONDITIONS ON FILE

A copy of the rate schedules, terms, and conditions under which gas service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, terms and conditions, together with the law, rules, and regulations of the Commission, is available for public inspection in each office of the Company where bills may be paid.

ASSIGNMENT

No order for service, agreement or contract for service may be assigned or transferred without the written consent of the Company.

RENEWAL OF CONTRACT

If, upon the expiration of any service contract for a specified term, the customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one year each, subject to termination at the end of any year upon 30 days prior written notice by either party.

AGENTS CANNOT MODIFY AGREEMENT WITHOUT CONSENT OF P.S.C. OF KY.

No agent has power to amend, modify, alter, or waive any of these TERMS AND CONDITIONS, or to bind the Company by making any promises or representations not contained herein.

SUPERSEDE PREVIOUS TERMS AND CONDITIONS

These TERMS AND CONDITIONS supersede all terms and conditions under which the Company has previously supplied gas service

TERMS AND CONDITIONS
Customer Responsibilities

APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before the Company is obligated to render gas service. The Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using gas service is clearly outside the scope of Company's standard rate schedules, Company may establish special terms and require special contracts giving effect to such unusual circumstances.

TRANSFER OF APPLICATION

Applications for gas service are not transferable and new occupants of premises will be required to make application for service before commencing the use of gas. Customers who have been receiving gas service shall notify the Company when discontinuance of service is desired, and shall pay for all gas service furnished until such notice has been given and final meter readings made by the Company.

OPTIONAL RATES

If two or more rate schedules are available for the same class of service,, it is the customer's responsibility to determine the options available and to designate the schedule under which he desires to receive service.

The Company will, at any time, upon request, advise any Customer as to the most advantageous rate for existing or anticipated service requirements as defined by the Customer, but the Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

In those cases in which the most favorable rate is difficult to predetermine, the customer will be given the opportunity to change to another schedule, unless otherwise prevented by the rate schedule under which the Customer is currently served, after trial of the schedule originally designated; however, after the first such change, the Company shall not be required to make a change in schedule more often than once in twelve months.

From time to time, the Customer should investigate his operating conditions to determine a desirable change from one available rate to another. The Company, lacking knowledge of changes that may occur at any time in the Customer's operating conditions, does not assume responsibility that Customers will at all times be served under the most beneficial rate.

In no event will the Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.

CUSTOMER'S EQUIPMENT AND INSTALLATION.

The customer shall furnish, install, and maintain at his expense the necessary Customer's Service Line extending from Company's Service Connection at the property line to the building or place of utilization of the gas.

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TERMS AND CONDITIONS
Customer Responsibilities

All piping, appliances, and other gas equipment and apparatus, except the meter and regulator, located on and within the customer's premises beyond point of connection with the Company's Service Commission at the property line shall be furnished and installed by and at the expense of the customer, and shall be maintained by the customer in good and safe condition. The Company assumes no responsibility whatsoever for the condition of the customer's piping, apparatus or appliances, nor for the maintenance or renewal of any portion thereof.

OWNER'S CONSENT TO OCCUPY

The Customer shall grant easements and rights-of-way on and across Customer's property at no cost to the Company.

ACCESS TO PREMISES AND EQUIPMENT

The Company shall have the right of access to the customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of gas service or for the purpose of turning on and shutting off the gas supply when necessary and for all other proper purposes. The customer shall not construct or permit the construction of any structure or device which will restrict the access of the Company to its equipment for any of the above purposes.

PROTECTION OF COMPANY'S PROPERTY

Customers will be held responsible for tampering, interfering with, breaking of seals of meters, or other equipment of the Company installed on the Customer's premises, and will be held liable for same according to law. The Customer hereby agrees that no one except the employees of the Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of the Company. Upon the absence of an active account, the property owner assumes the responsibility for any consumption and the Company's property and service.

EXCLUSIVE SERVICE ON INSTALLATION CONNECTED

Gas service shall not be used for purposes other than as set forth in customer's application or contract.

LIABILITY

The Customer assumes all responsibility for the gas service upon the Customer's premises at and from the point of delivery of gas and for the pipes and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the Customer's premises or at and from the point of delivery of gas, occasioned by such gas or said pipes and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company..

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TERMS AND CONDITIONS
Customer Responsibilities

NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service pipes, meters, and appurtenances supplied by the Company for the rendition of gas service to its customers have a definite capacity. In the event that the customer contemplates any material increase in his connected load, whether in a single increment or over an extended period, he shall immediately give the Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice the customer may be held liable for any damage done to meters, regulators, or other equipment of the Company caused by such material increase in the customer's connected load.

PERMITS

The customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give the Company or its agents access to the customer's premises and equipment and to enable its service to be connected therewith. In case the customer is not the owner of the premises or of intervening property between the premises and the Company's distribution mains, the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and across such intervening property of the customer's piping and facilities required for the supply of gas service to the customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, the Company shall obtain the aforementioned consent.

The Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under the customer's application until a reasonable time after such permits are granted.



**TERMS AND CONDITIONS
Company Responsibilities**

METERING

The gas used will be measured by a meter or meters to be furnished and installed by the Company at its expense and all bills will be calculated upon the registration of said meters. When service is supplied by Company at more than one delivery point on the same premises, each delivery point will be metered and billed separately on the rate applicable. Meters include all measuring instruments. Meters will be located outside whenever possible. Otherwise, meters will be located as near as possible to the service entrance and on the ground floor of the building, in a clean, dry, safe and easily accessible place, free from vibration, agreed to by the Company.

POINT OF DELIVERY OF GAS

The point of delivery of gas supplied by the Company shall be at the point where the gas passes from the pipes of Company's Service Connection into the customer's Service Line, irrespective of the location of the metering and regulating equipment.

COMPANY'S EQUIPMENT AND INSTALLATION

The Company will furnish, install, and maintain at its expense the necessary Service Connection extending from its main to the customer's nearest property line, the location of which Service Connection shall be at the discretion of the Company.

The Company will furnish, install, and maintain at its expense the necessary meter, regulator, and connections appurtenant thereto, which shall be located in accordance with the discretion and judgment of the Company. A suitable site or location for such meter and regulation, together with an adequate protective enclosure for the same, if required, shall be provided by the customer. Title to the meter, regulator, and connections shall remain in the Company, with the right to install, operate, maintain and remove same. The customer shall protect such property of the Company from loss or damage, and no one who is not an agent of the Company shall be permitted to remove, damage or tamper with the same. The customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish the Company with realistic estimates of prospective gas requirements.

COMPANY NOT LIABLE FOR INTERRUPTIONS

The Company will exercise reasonable care and diligence in an endeavor to supply gas service continuously and without interruption, except as provided in the terms of certain rate schedules; however, the Company does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of gas service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of the Company.

COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

The Company is merely a supplier of gas service delivered at the Company's property line, and shall not be liable for and shall be protected and held harmless for any injury or damage to

TERMS AND CONDITIONS
Company Responsibilities

persons or property of the Customer or of third persons resulting from the presence, use or abuse of gas on the Customer's premises or resulting from defects in or accidents to any of Customer's piping, equipment, apparatus or appliances, or resulting from any cause whatsoever other than the negligence of the Company.

LIABILITY

In no event shall the Company have any liability to the Customer or any other party affected by the gas service to the Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to the Customer or any other party. In the event that the Customer's use of the Company's service causes damage to the Company's property or injuries to persons, the Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold the Company harmless from any and all suits, claims, losses, and expenses associated therewith.

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**Michael S. Beer, Vice President
Louisville, Kentucky**



TERMS AND CONDITIONS
Character of Service

HEATING VALUE

The gas to be supplied by Company shall be natural gas with a heating value of not less than 1,000 Btu per cubic foot; provided, however, that in the case of a supply emergency, Company reserves the right to supplement its supply of natural gas with a mixture of vaporized liquified petroleum gas and air, in which case the heating value of the gas mixture supplied shall not be less than 1,000 Btu per cubic foot.

STANDARD PRESSURE AND MEASUREMENT BASE

The standard distribution pressure of the gas supplied by Company is four ounces per square inch above atmospheric pressure.

Atmospheric pressure shall be assumed in all cases to be 14.5 pounds per square inch and temperature shall be assumed to be 60 degrees Fahrenheit; provided, however, the Company reserves the right for billing purposes to correct as necessary the actual temperature to a 60 degree Fahrenheit basis in the case of large volume customers.

All gas measured at pressures higher than the standard pressure shall be converted to a pressure base of 14.73 pounds per square inch absolute for billing purposes.



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TERMS AND CONDITIONS

Billing

METER READINGS AND BILLS

Each bill for utility service shall be issued in compliance with 807 KAR 5:006, Section 6.

All bills will be based upon meter readings made in accordance with the Company's meter reading schedule. The Company, except if prevented by reasons beyond its control, shall read customers meters at least quarterly, except that customer-read meters shall be read at least once during the calendar year.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's electric or gas meter fails to register properly by reason of damage, accident, etc., the Company shall have the right to estimate the customer's consumption during the period of failure on the basis of such factors as the customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where the Company serves a customer with both electric and gas service at the same service location, the Company will render a combined bill. Provided, however, a residential customer may request, and the Company will render, separate bills under the following conditions: (1) the customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) the customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable in their net amount at the office of the Company during business hours, or at other locations designated by the Company, within 15 days from date of rendition thereof. In the event a bill is not paid on or before the final day of this 15 day net payment period, the gross bill including forfeited discount or delayed payment charge shall become due and payable at the office of the Company.

Failure to receive a bill does not exempt a customer from these provisions of the Company's Terms and Conditions.

READING OF SEPARATE METERS NOT COMBINED

For billing purposes, each meter upon the customer's premises will be considered separately and readings of two or more meters will not be combined except where the Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

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TERMS AND CONDITIONS

Billing

MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, the Company will monitor the usage of each customer at least once annually. Should an unusual deviation in the customer's consumption be found which cannot be attributed to a readily identified cause, the Company will perform a detailed analysis of the customer's meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5). In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

RESALE OF GAS

Gas service furnished under the Company's standard application or contract is for the use of the customer only, and no customer shall resell such gas to any other person, firm, or corporation on the customer's premises or for use on any other premises without the written consent of Company. If gas is resold in accordance with such written consent of Company, the gas may be resold only under one of the following two procedures: (1) the bill for natural gas service shall be divided by the total volume delivered to the customer during the month by LG&E and the resulting cost per unit of volume shall be applied to the volume of gas used by each end-user; or (2) such gas shall be resold at rates which are identical to the rates which would be charged by the Company for like and contemporaneous service.



TERMS AND CONDITIONS

Deposits

The Company may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. The Company may offer customers the option of paying all or a portion of their deposits in installments over a period not to exceed the first three normal billing periods. Service may be refused or discontinued for failure to pay the requested deposit.

Generally, deposits will be required from all customers not meeting satisfactory credit and payment criteria. Satisfactory credit for customers will be determined by utilizing independent credit sources (primarily utilized with new customers having no prior history with the Company), as well as historic and ongoing payment and credit history with the Company. Examples of independent credit scoring resources include credit scoring services, public record financial information, financial scoring and modeling services, and information provided by independent credit/financial watch services. Satisfactory payment criteria with the Company may be established by paying all bills rendered, having no disconnections for nonpayment, having no late notices, having no defaulted credit arrangements, having no returned payments, having no meter diversion or theft of service.

If a non-residential customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by the Company in its sole discretion, the Company may require a new or additional deposit from the customer. A new or additional deposit may also be required if the customer's classification of service changes or if there is a substantial change in usage.

Interest on deposits will be calculated at the rate prescribed by law, from the date of deposit, and will be paid annually either by refund or credit to the customer's bills, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit. If interest is paid or credited to the customer's bill prior to 12 months from the date of deposit, the payment or credit will be on a prorated basis. Upon termination of service, the deposit, any principal amounts, and interest earned and owing will be credited to the final bill, with any remainder refunded to the customer.

Residential deposits will be retained for a period not to exceed 12 months, provided the customer has met satisfactory payment and credit criteria. Non-residential deposits will be maintained as long as the customer remains on service.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

DEPOSIT AMOUNT

Residential gas customers will pay a deposit in the amount of \$120.00, which is calculated in accordance with 807 KAR5:006 Section 7(1)(b). For combination gas and electric customers, the total deposit will be \$240.00.

Non-residential customers' deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and

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**Michael S. Beer, Vice President
Louisville, Kentucky**

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TERMS AND CONDITIONS

Deposits

premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.



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**Michael S. Beer, Vice President
Louisville, Kentucky**

**TERMS AND CONDITIONS
Budget Payment Plan**

The Company's Budget Payment Plan is available to residential customers and to small commercial customers served under Rates CGS. Small business customers must have a minimum of three months of usage history and a zero balance owed on their account(s) to be eligible for the Budget Payment Plan. Small business customers with combined gas and electric services must be served exclusively under General Service Rate GS for their electric service. Under this plan, a customer may elect to pay, each month, a budgeted amount in lieu of billings for actual usage. A customer may enroll in the plan at any time.

The budgeted amount will be determined by the Company, and will be based on one-twelfth of the customer's usage for either an actual or estimated twelve months. The budgeted amount will be subject to review and adjustment by the Company at any time during the customer's budget year. If actual usage indicates the customer's account will not be current with the final payment in the customer's budget year, the customer will be required to pay their Budget Payment Plan account to \$0 prior to the beginning of the customer's next budget year.

If a customer fails to pay bills as agreed under the Budget Payment Plan, the Company reserves the right to remove the customer from the plan, restore the customer to regular billing and require immediate payment of any deficiency. A customer removed from the Budget Payment Plan for non-payment may be prohibited from further participation in the Plan for twelve (12) months.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.



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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Bill Format



Customer Service: (502) 589-1444
Mon-Fri 8AM-5PM
www.lgeenergy.com

A SUBSIDIARY OF
LGE ENERGY

Help us serve you better. Review your home phone number on the payment stub. If incorrect, please indicate the correct number.

Averages for Billing Period	This year	Last year
Average Temperature	35°	39°
Number of Days Billed	34	34
Electric/kWh per Day	13.47	10.59
Gas/ccf per Day	0.74	0.65

DATE DUE	AMOUNT DUE
01/28/01	\$52.55

ACCOUNT INFORMATION

Account Number: 1234-1234-1234-1 0
Account Name: John D. Customer
Service Address: 789 Any Street
Next Scheduled Reading: 02/09/01

BILLING SUMMARY

Previous Balance	\$ 34.18
Payment Received As Of 12/28	\$ 34.18
Balance As Of 12/28	\$ 0.00
Electric Charges	\$26.21
Gas Charges	\$26.34
Current Utility Charges 1/28	\$ 52.55
Total Amount Due	\$ 52.55

ELECTRIC CHARGES

Rate Type: R—RESIDENTIAL		Meter Reading Information	
Customer Charge	\$ 3.29	Meter #123456	
Energy Charge	\$ 24.39	Actual Reading on 1/11	34014
Other Charges for Above Rates		Actual Reading on 12/09	33556
Electric Fuel Adjustment (\$0.00236 CR x 458 kWh)	\$ (1.08)	Current kWh Usage	458
Electric Residential DSM Amt (\$0.00006 x 458 kWh)	\$ 0.03	Meter Multiplier	1
Environmental Surcharge (0.620% x \$26.63)	\$ 0.17	Metered kWh Usage	458
Merger Surcredit (2.157% CR x \$26.79)	\$ (0.58)		
Total Electric Charges	\$ 26.21		

GAS CHARGES

Rate Type: RGS—RESIDENTIAL		Meter Reading Information	
Customer Charge	\$ 7.00	Meter #12345	
Gas Distribution Charge	\$ 3.37	Actual Reading on 01/11	1750
Other Charges for Above Rates		Actual Reading on 12/09	1725
Gas Supply Cost Component (\$5.64371 x 25 ccf)	\$ 16.09	Current ccf Usage	25
Gas Residential DSM Amt (\$0.00468 CR x 25 ccf)	\$ (0.12)	Meter Multiplier	1
Total Gas Charges	\$ 26.34	Metered ccf Usage	25

Customer Service (502) 589-1444

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Account Number	Payment Due Date	Total Amount Due	Amount Due After Due Date	WinterHelp Donation	Amount Enclosed
1234-1234-1234-1 0	01/28/01	\$52.55	\$55.18	\$	\$

OFFICE USE ONLY:
C07, R076,
S01139

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P.O. Box 32000
Louisville, Kentucky 40232

#AAABBB
#01234567890000 0 0#
JOHN D. CUSTOMER
789 ANY STREET
LOUISVILLE KY 40000-0000



Home Phone # (502) 555-0000

Service Address: 789 Any Street

000015704000170000000055450000000528100000000000000

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Michael S. Beer, Vice President
Louisville, Kentucky

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TERMS AND CONDITIONS
Bill Format

Account Number: 1234-1234-1234-1 0 Page 2

BILLING INFORMATION

If you would like a rate schedule, please contact us and we will be glad to send you one.

Franchise Fee: A pass-through of fees paid by the Company to municipalities for the right to serve customers located in those municipalities.

IMPORTANT INFORMATION

Let the Automatic Bank Club Program simplify your life. Call Customer Service at 1-502-627-3313 for more information.

If enrolling, also check box on front of stub.

YES, I want to enroll in the Automatic Bank Club.

Please deduct my Automatic Bank Club payment from my Checking Account.

(Voided check must be provided.)

I hereby authorize LG&E to debit my bank account for payment of my monthly energy bill. This authorization will remain in effect until revoked by me or LG&E.

Signature _____ Date _____



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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
Discontinuance of Service

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, the Company shall have the right to refuse or discontinue to serve an applicant or customer under the following conditions:

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce the customer to comply with its rules and then only after the customer has been given at least 10 days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.
- D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. Service will not be supplied or continued to any premises if the applicant or customer is indebted to the Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Unpaid balances of previously rendered Final Bills may be transferred to any account for which the customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred and will be subject to the Company's collection and disconnection procedures. Final Bills may be transferred regardless of whether they are for combination gas and electric or gas only or electric only charges. The Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

Service will not be supplied or continued to any premises if at the time of application for service the applicant is merely acting as an agent of a person or former customer who is indebted to the Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where the applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to the Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.

- H. For non-payment of bills. The Company shall have the right to discontinue service for non-payment of bills after the customer has been given at least ten days written notice

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Discontinuance of Service

separate from his original bill. Cut-off may be effected not less than 27 days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than 30 days from the original date of discontinuance. The Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.

- I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. Within twenty-four (24) hours after such termination, the Company shall send written notification to the customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. The Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. The Company shall not be required to restore service until the customer has complied with all rules of the Company and regulations of the Commission and the Company has been reimbursed for the estimated amount of the service rendered and the cost to the Company incurred by reason of the fraudulent use.

When service has been discontinued for any of the above reasons, the Company shall not be responsible for any damage that may result therefrom.

Discontinuance or refusal of service shall be in addition to, and not in lieu of, any other rights or remedies available to the Company.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

**TERMS AND CONDITIONS
Gas Main Extension Rules**

1. The Company will extend its gas mains at its own expense for a distance of one hundred feet to each bona-fide applicant for year-round gas service who agrees in writing to take service within one year after the extension is completed by connecting a major gas-consuming appliance (i.e., furnace, water heater, yard light, pool heater) and who has a suitable Customer's Service Line installed and ready for connection.
2. The Company will extend its gas mains in excess of the above distance provided the applicant for service advances to the Company an amount equal to the estimated cost of such excess portion of the extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and location of the extension, as well as the timing of its construction.
3. Where funds were advanced in accordance with paragraph 2 for extensions into developed residential neighborhoods and notwithstanding paragraph 1, any customer that subsequently connects to the main during a 10 year period from the effective date of the main extension contract shall advance to the Company a pro rata share of the cost of the extension over 100 feet per connected customer.
4. For each new year-round customer connected to an extension in accordance with paragraph 3, the Company will refund to the previous applicant(s) who advanced funds an amount equal to the difference between the refundable amount advanced and the amount of the advance so determined for the new applicant.
5. The Company will extend its gas mains to serve a proposed real estate subdivision provided the applicant for such extension advances to the Company an amount equal to the estimated cost of the total extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and the location of the extension, as well as the timing of its construction.
6. For each new year-round customer actually connected to the extension within a ten-year period following the effective date of the gas main extension contract, but not to extensions or laterals therefrom, the Company will refund to applicant(s) who advanced funds in accordance with paragraph 5 above an amount equal to 100 times the average unit cost per foot of extension advanced by such applicant(s); provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to the Company.
7. The Company will install at its own expense a service pipe of suitable capacity extending from its gas main to the customer's property line beyond which point all necessary piping shall be installed by and at the expense of the customer and in a manner acceptable to the Company.
8. The Company will install at its own expense the necessary meter together with the regulator required to convert from medium pressure to service pressure. When a high pressure gas line is tapped to serve a customer or group of customers, the Company may charge the customer or customers for the estimated installed cost of the additional high pressure regulator.
9. In the event the Company is required to make a further extension of its mains to serve a customer, Company reserves the right to tap any extension constructed under these rules and to make connections from such additional extensions without application of the refunds referred to in paragraph 4 or 6 above.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

**TERMS AND CONDITIONS
Gas Main Extension Rules**

10. The title to all extensions herein provided for, together with all necessary rights-of-way, permits and easements, shall be and remain in the Company.
11. The Company shall not be obligated to make service connections or to extend its gas mains in cases where such extensions or connections, in the sole judgment of Company would be infeasible, impractical, or contrary to good operating practice, or where such extensions are not in accordance with the terms of the applicable rate schedule.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS
Gas Service Restrictions

By Order dated September 5, 1973, in Case Nos. 5829 and 5839, the Public Service Commission of Kentucky authorized the Company to incorporate in its gas tariff restrictions on the supply of gas service, occasioned by the inadequacy of gas supplies to meet customer demands. These restrictions have been modified from time to time by tariff filings authorized or approved by the Commission. Uncertainty as to future gas supply makes it necessary that Company continue to exercise control over the addition of gas loads to its system, as set forth in these rules.

1. **GENERAL.** Except as specifically provided in these rules, the Company will not (a) initiate service to any new customer, location, or service point; (b) permit any commercial customer (including any governmental agency or institution) or any industrial customer to increase its connected load or to expand its gas requirements in any manner; or (c) permit any customer to change to another rate schedule for the purpose of obtaining a higher priority under the Company's Tariff.

2. **NEW CUSTOMERS.** Until further notice, Company will accept applications for gas service to new customers as set forth below. Main extensions will be made in accordance with the Gas Main Extension Rules contained in this Tariff.
 - (a) **FOR SERVICE UNDER RATES RGS, CGS and IGS.** Single family dwelling units individually metered. Commercial and industrial customers and multi-family residences served through a single meter. Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgment such is necessary in order to enable it to continue to supply reliable service to existing customers.
 - (b) **FOR SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve new customers with requirements in excess of those allowable under Rates RGS, CGS and IGS when in its judgment actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.

3. **Increase in Service to Existing Customers.** Until further notice, the Company will, upon application, permit increases in the connected gas load or the gas usage of commercial and industrial customers existing as of the effective date of these rules, as follows:
 - (a) **ADDITIONAL SERVICE UNDER RATES RGS, CGS and IGS.** The Company will permit the addition of connected gas loads under Rates RGS, CGS and IGS. Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgment such is necessary in order to enable it to continue to supply reliable service to existing customers.
 - (b) **ADDITIONAL SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve existing customers with additional requirements in excess of those allowable under Rates RGS, CGS and IGS when in its judgment actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.

4. **LOAD ADDITIONS TO BE AGGREGATED.** Limitations on new or additional gas loads as specified herein refer to the aggregate of loads added subsequent to the effective date of these rules, and not to individual increments made from time to time.

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Louisville, Kentucky

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TERMS AND CONDITIONS
Gas Service Restrictions

5. **VOLUMES OF GAS USAGE.** Daily and monthly volumes of gas usage may be established or increased to reflect additions of connected load or increased usage of connected load existing as of the effective date of these rules. For customers subject to curtailment under Company's Curtailment Rules, Monthly Base Period Volumes will be established or adjusted accordingly.
6. **TRANSFERS BETWEEN LOCATIONS.** Company may permit any customer to transfer his own gas entitlement from one location to another; provided, however, that transfers of service cannot be aggregated so as to exceed the limitations on connected load set forth in Paragraphs 2 and 3 above with respect to Rates RGS, CGS, and IGS.
7. **PRIORITY CONSIDERATIONS.** If at any time, the Company is required to select among applicants for service as provided for in Paragraphs 2(b) or 3(b) above, it will, to the extent practicable, observe the following priorities in the order named:
 - (a) Schools, hospitals and similar institutions.
 - (b) Other commercial establishments.
 - (c) Industrial process and feedstock uses.
 - (d) Other industrial applications.
8. **LAPSE OF APPLICATIONS.** If any applicant for new or increased service under these rules is not ready to take such service within 12 months from the date of application, such application shall be void. Any reapplication shall be subject to the Company's rules in effect at the time thereof.
9. Applicants may make application for gas service beyond that provided for in these rules, to be initiated at such time as these rules may be terminated or modified so as to enable the Company to provide the service applied for. Company will file such applications in the order of receipt and dispose of them as circumstances dictate.

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Michael S. Beer, Vice President
Louisville, Kentucky

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TERMS AND CONDITIONS

Curtailment Rules

These rules are established to govern LG&E's available supply of gas to sales and transportation customers during periods of shortage or substantial reduction in the gas availability from LG&E's suppliers. These rules are designed to provide for curtailment or discontinuance of service made necessary by a deficiency in gas supply, capacity or unforeseen emergency circumstances. Implementation of these Rules will enable LG&E to continue to supply reliable gas service for residential and other human welfare purposes. These rules shall apply and continue in effect until lawfully modified or superseded under the regulatory jurisdiction of the Public Service Commission of Kentucky.

1. **DEFINITIONS** (for Purposes of these Rules).

COMMERCIAL CUSTOMERS: Customers engaged primarily in the sale of goods or services, including institutions and local, state and Federal governmental agencies, for uses other than those involving manufacturing.

INDUSTRIAL CUSTOMERS: Customers engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product. For the sole purpose of the application of these rules, customers served under Rate IGS whose gas service is primarily used in the production or processing of foods or food for human consumption shall be considered commercial customers.

SMALL INDUSTRIAL CUSTOMER: Any industrial customer whose aggregate of twelve Monthly Base Period Volumes is 10,000 Mcf or less.

LARGE INDUSTRIAL CUSTOMER: Any industrial customer whose aggregate of twelve Monthly Base Period Volumes exceeds 10,000 Mcf.

SUMMER SEASON: The seven consecutive monthly customer billing periods of April through October.

WINTER SEASON: The five consecutive monthly customer billing periods of November of one year through March of the following year.

PILOT LIGHT REQUIREMENTS: Gas used on either a continuous or intermittent basis only for the ignition of the fuel in the main burner; does not include any gas used to preheat or atomize solid or liquid fuels.

NON-DOMESTIC USAGE: Usage for boiler fuel and other applications where alternate fuel facilities are installed or capable of being installed.

BASE PERIOD: The 12 months ending with the calendar year prior to the implementation of any curtailments hereunder.

MONTHLY BASE PERIOD VOLUMES: Monthly volumes assigned to each customer determined from its gas consumption during the Base Period, adjusted to normal temperatures, for force majeure conditions, and to annualize consumption in cases where service was initiated or the connected load increased in keeping with LG&E's rules applicable during the Base Period.

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Louisville, Kentucky

TERMS AND CONDITIONS
Curtailment Rules

AUTHORIZED MONTHLY VOLUME: The volume of gas authorized to be taken during a month and determined by deducting from the Monthly Base Period Volume the curtailment applicable for the month.

Some Customers may have usage falling within more than one of the above categories; as such, these customers may be required to segregate their total usage accordingly.

2. **PRO-RATA CURTAILMENT.** In order to meet seasonal and daily sendout requirements, to preserve underground storage deliverability, and to provide for adequate and timely underground storage injections, LG&E will implement pro-rata curtailment with respect to the classes of customers here listed:

- (a) Large Industrial Customers served under Rate IGS and Rider RBS.
- (b) All customers served under Rate AAGS.

LG&E will assign Monthly Base Period Volumes to each customer in the above classes. Not less than two weeks prior to the beginning of any billing period, except in the case of an emergency, LG&E will notify in writing each customer in the classes named above of the percentage curtailment from such customer's Monthly Base Period Volume to be in effect in said billing period, stating the Authorized Monthly Volume such customer is authorized to take during said billing period.

During each month of the Winter Season curtailment will be first applied to Rate AAGS customers until such curtailment reaches 100% of Base Period Volumes (allowing, however, for continuation of Pilot Light Requirements in connection with alternate fuels). When the required curtailment level exceeds 100% as applied to Rate AAGS customers, the additional curtailment required will be apportioned at a uniform percentage to other customers subject to pro-rata curtailment under this Section 2. Provided, however, during any month of the Winter Season when Rate AAGS customers are being furnished all or a part of their Base Period Volumes, such service may be completely interrupted when and to the extent that LG&E deems such interruption necessary to preserve storage deliverability or to otherwise meet seasonal or daily sendout requirements.

During each month of the Summer Season the percentage of curtailment shall be uniform for all classes to which it applies.

Provided, however, in the case of Large Industrial Customers served under Rate IGS, Authorized Monthly Volumes shall be established so as to aggregate not less than 10,000 Mcf for a twelve-month period.

3. **COMBINATION OF AUTHORIZED MONTHLY VOLUMES.** Subject to a written application by a customer and acceptance thereof by LG&E, LG&E will permit any customer served through more than one point of delivery at any location, or any person, corporation or entity served with gas at more than one location, to take gas through the points or at the locations of its choosing, provided that the gas so taken will not exceed the combined Authorized Monthly Volumes applicable to such points of delivery, and provided that only volumes purchased under rate schedules subject to pro-rata curtailment may be so combined. Gas taken through each individual point of delivery will be billed at the rate applicable to such point of delivery.

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Louisville, Kentucky

TERMS AND CONDITIONS

Curtailment Rules

If the Application referred to in the above paragraph is denied by LG&E, then the Applicant may apply to the Public Service Commission for a review of LG&E's decision.

The right to effect combinations of Authorized Monthly Volumes as here described is limited to individual customers or individual persons, corporations or entities and such right will not extend to similar combinations between or among unrelated customers. Nor shall such combinations be employed by any customer for the purpose of obtaining a lower overall cost of gas.

For the purpose of assessment of penalties, the point of delivery will be considered on a combined basis, so that the actual combined take will be measured against combined Authorized Monthly Volumes. It will be the responsibility of any applicant for this treatment to advise LG&E in writing as to the party or entity to be held accountable for the payment of such penalty.

4. **PENALTY CHARGES.** Any customer subject to interruption in accordance with Paragraph 2 above who uses any quantity of gas (in excess of Pilot Light Requirements where applicable) during a period of interruption shall be subject to a penalty charge applicable to such unauthorized take at the rate of \$10.00 per Mcf, such penalty to be in addition to the established rate for service.

Any customer subject to curtailment in accordance with Paragraph 3 above who at the end of a Summer Season or a Winter Season has taken gas in excess of 102% of the aggregate of its Authorized Monthly Volumes within such season shall be subject to a penalty charge applicable to such excess take at the rate of \$20.00 per Mcf, such penalty to be in addition to the established rate for service.

The payment of penalty charges for take in excess of authorized volumes shall not be considered as giving any customer the right to take unauthorized volumes of gas, nor shall such penalty charges be considered as a substitute for any other remedy available to LG&E.

5. **EMERGENCY CURTAILMENT.** In the event of an emergency, LG&E will initiate the following actions in order that service may continue to be supplied for residential and other human health, safety and welfare needs.

(1) Issue Operational Flow Orders to customers served under Rate FT and Rider RBS, and take similar actions applicable to customers served under Special Contracts. Customers that fail to comply with Operational Flow Orders will be required to discontinue the use of natural gas.

(2) Discontinue service to customers served under Rate AAGS.

(3) Implement pro-rata curtailment to Large Industrial Rate IGS and Rider RBS customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.

(4) Once curtailment in level 3 (above) is 0% of Base Period Volumes, implement pro-rata curtailment to the remainder of Industrial and non-human needs commercial use customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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TERMS AND CONDITIONS
Curtailment Rules

- (5) Once customers in level 4 (above) have reduced their usage to 0% of Base Period Volumes, request reduction of gas usage by commercial, residential, and human needs customers.
 - (6) Implement procedures for interruption of selected electrical distribution circuits on a rotational basis.
6. **DISCONTINUANCE OF SERVICE:** If any customer subject to interruption or curtailment under these rules fails to limit its use of gas as provided for herein, then LG&E shall have the right, after reasonable notice, to immediately and permanently discontinue all gas supply to such customer.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)8
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

The utility's proposed tariff changes, identified in compliance with 807 KAR 5:011, shown either by:

- (a) Providing the present and proposed tariffs in comparative form on the same sheet side by side;
or,*
- (b) Providing a copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.*

Response:

Please see the attached present and proposed tariffs in comparative form on the same sheet side-by-side. Please note the following:

- The order of presentation of the tariffs conforms to the order of the proposed tariff and
- On each sheet of the side-by-side comparison the present tariff is on the left and the proposed tariff is on the right.

LG&E's Present and Proposed Tariffs – Comparison Electric

LOUISVILLE GAS AND ELECTRIC COMPANY

of
220 West Main Street
Louisville, Kentucky

Rates, Rules and Regulations for Furnishing

ELECTRIC SERVICE

in
Entire Service Area of the Company

Filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

Date of Issue
February 21, 2000

Issued by
Robert M. Hewitt, Group Executive
Louisville, Kentucky

Date Effective
March 1, 2000

Louisville Gas And Electric Company
220 West Main Street
Louisville, Kentucky

Rates, Terms and Conditions for Furnishing

ELECTRIC SERVICE

In the nine counties of the Louisville, Kentucky, metropolitan area
as depicted on territorial maps as filed with the

**PUBLIC SERVICE COMMISSION
OF KENTUCKY**

Date of Issue
December 29, 2003

Issued by
Michael S. Beer, Vice President

Date Effective
February 1, 2004

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Date of Issue: June 6, 2002
Cancelling Fourth Revision of Original Sheet No. 1
Issued December 7, 2001

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: August 1, 2002

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Date of Issue: December 29, 2003
Issued By
Date Effective: February 1, 2004

Michael S. Beer, Vice President

Louisville Gas and Electric Company

Third Revision of Original Sheet No. 2
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE		R
		Residential Rate
APPLICABLE	In all territory served.	
AVAILABILITY	Available for single-phase residential service for lighting, heating, cooking, refrigeration, household appliances and other domestic purposes, subject to the special terms and conditions set forth on Sheet Nos. 25 and 26 of this Tariff.	
RATE	Customer Charge: \$3.31 per meter per month	
	Winter Rate: (Applicable during 8 monthly billing periods of October through May)	
	First 600 kilowatt-hours per month	5.526¢ per Kwh
	Additional kilowatt-hours per month	4.261¢ per Kwh
	Summer Rate: (Applicable during 4 monthly billing periods of June through September)	
	First 600 kilowatt-hours per month	5.993¢ per Kwh
	Additional kilowatt-hours per month	6.159¢ per Kwh
FUEL CLAUSE, DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM AND ENVIRONMENTAL COST RECOVERY SURCHARGE	The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24, the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 23-B through 23-I and the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.	
MINIMUM BILL	The customer charge.	
PROMPT PAYMENT PROVISION	The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
APPLICABILITY OF RULES	Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.	

Date of Issue: May 13, 2003
Case No. 03-0000000 of
Original Sheet No. 2
Issued November 11, 2002

Issued By: Michael S. Bear, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of 472303 in Case No. 2003-00434

Date Effective: May 1, 2003

Louisville Gas and Electric Company

Original Sheet No. 5
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE		RS
		Residential Service
APPLICABLE	In all territory served.	
AVAILABILITY OF SERVICE	Available for single phase, single family residential service subject to the terms and conditions on Sheet No. 85 of this Tariff.	
RATE	Customer Charge: \$9.00 per month	
	Winter Rate: (Applicable during 8 billing periods of October through May)	
	4.953¢ per KWH	
	Summer Rate: (Applicable during 4 billing periods of June through September)	
	6.327¢ per KWH	
ADJUSTMENT CLAUSES	The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:	
	Fuel Adjustment Clause	Sheet No. 70
	Demand-Side Management Cost Recovery Mechanism	Sheet No. 71
	Environmental Cost Recovery Surcharge	Sheet No. 72
	Merger Surcredit Rider	Sheet No. 73
	Earning Sharing Mechanism	Sheet No. 74
	Value Delivery Surcredit	Sheet No. 75
	Franchise Fee Rider	Sheet No. 76
	School Tax	Sheet No. 77
MINIMUM CHARGE	The customer charge will be the minimum charge.	
LATE PAYMENT CHARGE	The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
TERMS AND CONDITIONS	Service will be furnished under Company's Terms and Conditions applicable hereto.	

Date of Issue: December 29, 2003

Issued By: Michael S. Bear, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

ELECTRIC RATE SCHEDULE VDF
Volunteer Fire Department Service

APPLICABLE
In all territory served by the Company.

AVAILABILITY OF SERVICE
Available for single-phase delivery, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION
To be eligible for this rate a volunteer fire department is defined as:
1) having at least 12 members and a chief,
2) having at least one fire fighting apparatus, and
3) more than half the members must be volunteer.

RATE
Customer Charge: \$3.31 per month
Plus an Energy Charge of:
Winter Rate: (Applicable during 8 monthly billing periods of October through May)
5.526 cents per KWH for the first 600 KWH used per month
4.261 cents per KWH for all in excess of 600 KWH used per month
Summer Rate: (Applicable during 4 monthly billing periods of June through September)
5.993 cents per KWH for the first 600 KWH used per month
6.159 cents per KWH for all in excess of 600 KWH used per month

MINIMUM BILL
The Customer Charge will be the minimum bill.

ADJUSTMENT CLAUSES
The monthly amount computed at the charges specified above shall be increased or decreased in accordance with:
Demand Side Management Cost Recovery Mechanism Sheet No. 23-B
Franchise Fee Sheet No. 23-J
Environmental Cost Recovery Surcharge Sheet No. 23-K
Merger Surcredit Rider Sheet No. 23-M
Earning Sharing Mechanism Sheet No. 23-O
Value Delivery Surcredit Sheet No. 23-Q
Fuel Adjustment Clause Sheet No. 24

PROMPT PAYMENT PROVISION
The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

RULES AND REGULATIONS
Service under this rate schedule is subject to the Company's rules and regulations or terms and conditions as approved by the Public Service Commission of Kentucky and as incorporated in this Tariff.

ELECTRIC RATE SCHEDULE VFD
Volunteer Fire Department Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
Available for single-phase delivery, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION
To be eligible for this rate a volunteer fire department is defined as:
1) having at least 12 members and a chief,
2) having at least one fire fighting apparatus, and
3) more than half the members must be volunteer.

RATE
Customer Charge: \$9.00 per month
Plus an Energy Charge of:
Winter Rate: (Applicable during 8 billing periods of October through May)
4.953 cents per KWH
Summer Rate: (Applicable during 4 billing periods of June through September)
6.327 cents per KWH

ADJUSTMENT CLAUSES
The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:
Fuel Adjustment Clause Sheet No. 70
Demand-Side Management Cost Recovery Mechanism Sheet No. 71
Environmental Cost Recovery Surcharge Sheet No. 72
Merger Surcredit Rider Sheet No. 73
Earning Sharing Mechanism Sheet No. 74
Value Delivery Surcredit Sheet No. 75
Franchise Fee Rider Sheet No. 76
School Tax Sheet No. 77

MINIMUM CHARGE
The Customer Charge shall be the minimum charge.

LATE PAYMENT CHARGE
The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS
Service will be furnished under Company's Terms and Conditions applicable hereto.

STANDARD RATE SCHEDULE
Prepaid Metering Pilot Program

ELECTRIC RATE SCHEDULE
Residential Prepaid Metering

APPLICABLE
In all territory served.

AVAILABILITY

This Schedule is available to individually metered residential electric customers. Customers who also receive gas service from the Company must be billed for such gas service through the Company's Budget Payment Plan. The electric service provided to Customer is to be used for domestic purposes in and about an individually metered residential dwelling unit as defined in and subject to the terms and conditions set forth on Sheet Nos. 25 and 26 of this Tariff.

Service under this Schedule is not available: (1) for individual motors in excess of 10 HP; (2) for commercial or industrial purposes; (3) for resale service; (4) for temporary or seasonal service; (5) where Customer or a member of the Customer's household utilizes medical life support equipment; (6) to Customer who has a medical Certificate of Need on File with Company; (7) to Customer who has designated a third party to receive notification of any pending termination notices; (8) in those areas where Company does not offer prepaid power service; (9) for other uses not specifically provided for by the provisions herein.

MONTHLY RATE

Prepaid Metering Facilities Charge: \$24.00 per meter per year
Basic Customer Charge: \$39.72 per meter per year
Kilowatt-Hour Charge: 5.537¢ per kWh

FUEL CLAUSE, DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM, ENVIRONMENTAL COST RECOVERY SURCHARGE, VALUE DELIVERY SURCREDIT RIDER, EARNING SHARING MECHANISM, AND MERGER SURCREDIT

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24, the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 23-B through 23-I, the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K, the Value Delivery Surcredit Rider set forth on Sheet No. 23-Q, the Earning Sharing Mechanism set forth on Sheet Nos. 23-O through 23-P, and the Merger Surcredit Rider set forth on Sheet Nos. 23-M and 23-N of this Tariff.

MINIMUM BILL

The Basic Customer Charge, Prepaid Metering Facilities Charge, and, where applicable, monthly Budget Payment Plan amounts.

Date of Issue: May 13, 2003
Cancelling First Revision of Original Sheet No. 2-A
Issued November 11, 2002

Date Effective: May 1, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4225/03 in Case No. 2002-00434

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This Schedule is available to individually metered residential electric customers. Customers who also receive gas service from the Company must be billed for such gas service through the Company's Budget Payment Plan. The electric service provided to Customer is to be used for domestic purposes in and about an individually metered residential dwelling unit as defined in and subject to the terms and conditions set forth on Sheet Nos. 25 and 26 of this Tariff.

Service under this Schedule is not available: (1) for individual motors in excess of 10 HP; (2) for commercial or industrial purposes; (3) for resale service; (4) for temporary or seasonal service; (5) where Customer or a member of the Customer's household utilizes medical life support equipment; (6) to Customer who has a medical Certificate of Need on File with Company; (7) to Customer who has designated a third party to receive notification of any pending termination notices; (8) in those areas where Company does not offer prepaid power service; (9) for other uses not specifically provided for by the provisions herein.

FIXED RATE

Prepaid Metering Facilities Charge: \$ 24.00 per meter per year
Basic Customer Charge: \$108.00 per meter per year
Kilowatt-Hour Charge: 5.518¢ per KWH

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with:

Fuel Adjustment Clause Sheet No. 70
Demand-Side Management Cost Recovery Mechanism Sheet No. 71
Environmental Cost Recovery Surcharge Sheet No. 72
Merger Surcredit Rider Sheet No. 73
Earning Sharing Mechanism Sheet No. 74
Value Delivery Surcredit Sheet No. 75
Franchise Fee Rider Sheet No. 76
School Tax Sheet No. 77

MINIMUM CHARGE

The Basic Customer Charge, Prepaid Metering Facilities Charge, and, where applicable, monthly Budget Payment Plan amounts.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President

STANDARD RATE SCHEDULE

RPP

Prepaid Metering Pilot Program

PAYMENTS AND BILLING

Prepaid service shall be purchased only at locations designated by Company. Customer purchases are subject to a maximum (\$300) individual purchase amount and total maximum amount remaining on the prepaid power billing and metering system as determined by Company. Customer is responsible for transferring each amount purchased on the purchase card to the in-house display terminal.

At the time of the installation of the prepaid power metering system at Customer's premises, a temporary credit will be provided. This amount will be deducted from the first purchase Customer makes with the prepaid power purchase card.

At such time as the value of the service consumed equals the value of prepaid purchases, electric service is subject to immediate disconnection from Company by the prepaid metering system until additional purchases by Customer are made and transferred from the purchase card to the in-house display terminal. Should the electric service be disconnected by the prepaid metering system caused by Customer's electrical usage having consumed the entire value of the prepaid purchases transferred to the meter through the in-house display terminal, the Basic Customer Charge and the prepaid metering facilities charge will continue to be accumulated on Customer's account and will be deducted from the Customer's next prepaid purchase for electric service and Budget Payment Plan for gas service as applicable.

In the event Customer has an indebtedness with Company for service previously provided, Company may allow, at its sole option, for Customer to pay the indebtedness or portions of the indebtedness by deducting a portion or all of the indebtedness as a percentage (30%) of each prepaid purchase made thereafter until the indebtedness is satisfied.

In the event Customer has an electric service deposit with Company at the time Customer elects to take service under this Schedule, a refund will be issued for the deposit plus applicable interest less all outstanding indebtedness. Any amount of the deposit and interest in excess of the outstanding indebtedness will be applied as a credit on the first purchase Customer makes thereafter with the prepaid power purchase card.

Company will not mail or deliver regular monthly electric bill payment and consumption information to Customer. Customer shall receive a receipt of payment and other billing information at each prepaid power card purchase.

During the period of November 1 through March 31, the prepaid power metering system will run in credit mode and, during that time period, prepay customers will be subject to traditional credit service disconnection policies.

SERVICE PERIOD

The initial Service Period for service under this Schedule shall be for ninety (90) days. The Minimum Service Period during the first year of service under this schedule shall be the eight consecutive months of October through May. Failure to comply with the Minimum Service Period may bar Customer from receiving service under this schedule for one year. After the

Date of Issue: April 24, 2003
Cancelling Original Sheet No. 2-B
Issued December 5, 2000

Issued By

Date Effective: May 1, 2003

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of 3/23/03 in Case No. 06233

ELECTRIC RATE SCHEDULE

RPM

Residential Prepaid Metering

PAYMENTS AND BILLING

Prepaid service shall be purchased only at locations designated by Company. Customer purchases are subject to a maximum (\$300) individual purchase amount and total maximum amount remaining on the prepaid power billing and metering system as determined by Company. Customer is responsible for transferring each amount purchased on the purchase card to the in-house display terminal.

At the time of the installation of the prepaid power metering system at Customer's premises, a temporary credit will be provided. This amount will be deducted from the first purchase Customer makes with the prepaid power purchase card.

At such time as the value of the service consumed equals the value of prepaid purchases, electric service is subject to immediate disconnection from Company by the prepaid metering system until additional purchases by Customer are made and transferred from the purchase card to the in-house display terminal. Should the electric service be disconnected by the prepaid metering system caused by Customer's electrical usage having consumed the entire value of the prepaid purchases transferred to the meter through the in-house display terminal, the Basic Customer Charge and the prepaid metering facilities charge will continue to be accumulated on Customer's account and will be deducted from the Customer's next prepaid purchase for electric service and Budget Payment Plan for gas service as applicable.

In the event Customer has an indebtedness with Company for service previously provided, Company may allow, at its sole option, for Customer to pay the indebtedness or portions of the indebtedness by deducting a portion or all of the indebtedness as a percentage (30%) of each prepaid purchase made thereafter until the indebtedness is satisfied.

In the event Customer has an electric service deposit with Company at the time Customer elects to take service under this Schedule, a refund will be issued for the deposit plus applicable interest less all outstanding indebtedness. Any amount of the deposit and interest in excess of the outstanding indebtedness will be applied as a credit on the first purchase Customer makes thereafter with the prepaid power purchase card.

Company will not mail or deliver regular monthly electric bill payment and consumption information to Customer. Customer shall receive a receipt of payment and other billing information at each prepaid power card purchase.

During the period of November 1 through March 31, the prepaid power metering system will run in credit mode and, during that time period, prepay customers will be subject to traditional credit service disconnection policies.

SERVICE PERIOD

The initial Service Period for service under this Schedule shall be for ninety (90) days. The Minimum Service Period during the first year of service under this schedule shall be the eight consecutive months of October through May. Failure to comply with the Minimum Service Period may bar Customer from receiving service under this schedule for one year. After the initial Service Period, Customer may terminate participation under this Schedule by giving Company thirty days (30) notice. If Customer elects to be served under another of Company's available rate schedules, Customer may be required to furnish a deposit. Customer will subsequently be provided service under the same terms, as applicable, as prior to choosing service under this Schedule.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 7.2
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE
RPM
Residential Prepaid Metering

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Company will furnish, maintain, and own all the prepaid power equipment including the meter, the in-house display unit, primary prepaid power purchase card, and one reserve card. Company shall install the meter. Customer shall receive the in-house display unit and the prepaid power purchase cards, in person, at the time Customer enrolls as a participant in this schedule, at a place designated as a Residential Prepaid Metering Customer Service Center. Delivery of equipment to Customer's premise by Company shall be at the sole discretion of the Company. Customer shall be responsible for connecting the in-house display terminal to Customer's in-home electrical outlet and transferring purchases from the prepaid power purchase card to the in-house display terminal.

Company will provide Customer initially with a prepaid power purchase card for the purpose of purchasing the electricity in conjunction with this Schedule. In the event Customer loses a prepaid power purchase card and requests a replacement card, Customer shall pay a fee of \$5.00 for each replacement card.

In the event either the in-house display unit and/or the meter is stolen or damaged by acts of Customer or others, Customer shall pay a replacement charge of \$120.00 for the in-house display unit and/or \$330.00 for the meter plus the applicable callout charge stated below. Correspondingly, if Customer fails to return the in-house display terminal to Company at such time as Customer discontinues receiving service under this Schedule, Customer shall also pay the charge of \$120.00 to Company.

Should it be necessary for a Company representative to visit Customer's premise due to Customer withdrawing from the Pilot Program prior to the initial ninety (90) day period or due to a Customer-reported malfunction of the prepaid power metering equipment or in-house display terminal and Company determines there is no malfunction of the prepaid power metering equipment or in-house display terminal, Customer will be subject to a charge of \$18.50 for the callout, except that Company will waive the charge for the first such callout by Customer. Replacement of batteries in the in-house display terminal shall be the responsibility of Customer and the lack of operational batteries in the in-house display terminal shall not be considered as a malfunction of the unit.

Louisville Gas and Electric Company

First Revision of Original Sheet No. 2-C
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE
RPP
Prepaid Metering Pilot Program

Initial Service Period, Customer may terminate participation under this Schedule by giving Company thirty days (30) notice. If Customer elects to be served under another of Company's available rate schedules, Customer may be required to furnish a deposit. Customer will subsequently be provided service under the same terms, as applicable, as prior to choosing service under this Schedule.

APPLICABILITY OF RULES

Service rendered under this Schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.

Company will furnish, maintain, and own all the prepaid power equipment including the meter, the in-house display unit, primary prepaid power purchase card, and one reserve card. Company shall install the meter. Customer shall receive the in-house display unit and the prepaid power purchase cards, in person, at the time Customer enrolls as a participant in this schedule, at a place designated as a Residential Prepaid Metering Customer Service Center. Delivery of equipment to Customer's premise by Company shall be at the sole discretion of the Company. Customer shall be responsible for connecting the in-house display terminal to the Company's in-home electrical outlet and transferring purchases from the prepaid power purchase card to the in-house display terminal.

Company will provide Customer initially with a prepaid power purchase card for the purpose of purchasing the electricity in conjunction with this Schedule. In the event Customer loses a prepaid power purchase card and requests a replacement card, Customer shall pay a fee of \$5.00 for each replacement card.

In the event either the in-house display unit and/or the meter is stolen or damaged by acts of Customer or others, Customer shall pay a replacement charge of \$120.00 for the in-house display unit and/or \$330.00 for the meter plus the applicable callout charge stated below. Correspondingly, if Customer fails to return the in-house display terminal to Company at such time as Customer discontinues receiving service under this Schedule, Customer shall also pay the charge of \$120.00 to Company.

Should it be necessary for a Company representative to visit Customer's premise due to Customer withdrawing from the Pilot Program prior to the initial ninety (90) day period or due to a Customer-reported malfunction of the prepaid power metering equipment or in-house display terminal and Company determines there is no malfunction of the prepaid power metering equipment or in-house display terminal, Customer will be subject to a charge of \$18.50 for the callout, except that Company will waive the charge for the first such callout by Customer. Replacement of batteries in the in-house display terminal shall be the responsibility of Customer and the lack of operational batteries in the in-house display terminal shall not be considered as a malfunction of the unit.

Date of Issue: April 28, 2003
Cancelling Original Sheet No. 2-B
Issued December 5, 2000

Issued By

Michael S. Bear, Vice President
Louisville, Kentucky

Issued Pursuant to P.S.C. Order of 07/01/01 in Case No. 000713

Date of Issue: December 29, 2003

Issued By

Michael S. Bear, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

STANDARD RATE SCHEDULE **GS**
General Service Rate

APPLICABLE
In all territory served.

AVAILABILITY

Available to any customer for alternating current service, single-phase or three-phase, for lighting, power, and other general usage, measured and delivered at one of Company's standard distribution voltages; provided, however, that after February 28, 1983, this rate shall not be available for the addition of customers with connected loads of 200 kilowatts or more (such customers may take service under Rate LC or Rate LP, as applicable). Service taken through each meter will be billed separately. If customer desires to take lighting service through a three-phase meter, the customer shall furnish and maintain any transformation or voltage regulatory equipment required for such lighting service.

RATE

Customer Charge: \$3.92 per meter per month for single-phase service
\$7.84 per meter per month for three-phase service

Winter Rate: (Applicable during 8 monthly billing periods of October through May)

All kilowatt-hours per month..... 5.938¢ per Kwh

Summer Rate: (Applicable during 4 monthly billing periods of June through September)

All kilowatt-hours per month..... 6.091¢ per Kwh

PRIMARY SERVICE DISCOUNT

A discount of 5% will be allowed on the monthly amount computed in accordance with the above charges when the customer takes service at distribution or transmission line voltage of 2300 volts or higher, and furnishes, installs, and maintains complete substation structure and all equipment necessary to take service at the voltage available at the point of connection.

FUEL CLAUSE, DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM AND ENVIRONMENTAL COST RECOVERY SURCHARGE

The monthly amount computed in accordance with the provisions specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24, the Demand-Side Management Cost Recovery Component (DSMRC) set forth on Sheet Nos. 23-B through 23-I, and the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.

Date of Issue: May 13, 2003
Canceling Second Revision of Original Sheet No. 5
Issued November 11, 2002

Issued By

Michael S. Beier, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-06434

Date Effective: May 1, 2003

ELECTRIC RATE SCHEDULE **GS**
General Service Rate

APPLICABLE
In all territory served

AVAILABILITY OF SERVICE

Available to any customer for alternating current service, single-phase or three-phase, for lighting, power, and other general usage, measured and delivered at one of Company's standard distribution voltages; provided, however, that after February 28, 1983, this rate shall not be available for the addition of customers with connected loads of 200 kilowatts or more (such customers may take service under Rate LC or Rate LP, as applicable). Service taken through each meter will be billed separately. If customer desires to take lighting service through a three-phase meter, the customer shall furnish and maintain any transformation or voltage regulatory equipment required for such lighting service.

RATE

Customer Charge: \$18.00 per meter per month for single-phase service
\$22.00 per meter per month for three-phase service

Winter Rate: (Applicable during 8 billing periods of October through May)

All kilowatt-hours per month..... 6.063¢ per KWH

Summer Rate: (Applicable during 4 billing periods of June through September)

All kilowatt-hours per month..... 6.816¢ per KWH

PRIMARY DISCOUNT

A discount of 5% will be applied to the amount computed in accordance with the above charges when the customer takes service at distribution or transmission line voltage of 2300 volts or higher, and furnishes, installs, and maintains complete substation structure and all equipment necessary to take service at the voltage available at the point of connection. Primary service under this rate schedule is restricted to those customers being billed under this rate schedule as of its effective date February 1, 2004.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Fuel Adjustment Clause Sheet No. 70
- Demand-Side Management Cost Recovery Mechanism Sheet No. 71
- Environmental Cost Recovery Surcharge Sheet No. 72
- Merger Surcredit Rider Sheet No. 73
- Earning Sharing Mechanism Sheet No. 74
- Value Delivery Surcredit Sheet No. 75
- Franchise Fee Rider Sheet No. 76
- School Tax Sheet No. 77

Date of Issue: December 29, 2003

Issued By

Michael S. Beier, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

ELECTRIC RATE SCHEDULE	GS	General Service Rate
MINIMUM CHARGE		The Customer Charge shall be the minimum charge.
LATE PAYMENT CHARGE		The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.
TERM OF CONTRACT		For a fixed term of not less than one year and for such time thereafter until terminated by either party giving 30 days written notice to the other of the desire to terminate.
TERMS AND CONDITIONS		Service will be furnished under Company's Terms and Conditions applicable

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE	GS	General Service Rate (Continued)
MINIMUM BILL		The minimum bill for single-phase service shall be the customer charge.
PROMPT PAYMENT PROVISION		The minimum bill for three-phase service shall be the customer charge, provided, however, in unusual circumstances where annual kilowatt-hour usage is less than 1,000 times the kilowatts of capacity required, Company may charge a minimum bill of not more than 98¢ per month per kilowatt of connected load.
APPLICABILITY OF RULES		Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.

Date of Issue: February 21, 2000 Issued By Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 177th in Case No. 98-476

STANDARD RATE SCHEDULE LC
Large Commercial Rate

APPLICABLE
In all territory served.

AVAILABILITY
This schedule is available for alternating current service to customers whose monthly demand is less than 2,000 kilowatts and whose entire lighting and power requirements are purchased under this schedule at a single service location.

RATE

Customer Charge: \$17.24 per delivery point per month.

Demand Charge:

Winter Rate: (Applicable during 8 monthly billing periods of October through May)	Secondary Distribution	Primary Distribution
All kilowatts of billing demand	\$7.07 per Kw per month	\$5.48 per Kw per month

Summer Rate: (Applicable during 4 monthly billing periods of June through September)

All kilowatts of billing demand	\$10.05 per Kw per month	\$8.22 per Kw per month
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Energy Charge: All kilowatt-hours per month 2.886¢ per KwH

DETERMINATION OF BILLING DEMAND
The monthly billing demand shall be the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period; but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

Where light and power service at a single service location are measured through separate meters, the highest 15-minute demands for each character of service shall be combined for billing purposes.

PRIMARY DISTRIBUTION SERVICE
The above demand charge for primary distribution service is predicated on the customer's taking service at the applicable voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2400/4160V, 7200/12,470V, 13,800 or 34,500.

Date of Issue: May 13, 2003
Cancelling Second Revision of Original Sheet No. 10
Issued November 11, 2002

Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-00434

Michael S. Beer, Vice President
Louisville, Kentucky

Issued By: Michael S. Beer, Vice President

Date Effective: May 1, 2003

ELECTRIC RATE SCHEDULE LC
Large Commercial Rate

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
This schedule is available for alternating current service to customers whose monthly demand is less than 2,000 kilowatts and whose entire lighting and power requirements are purchased under this schedule at a single service location.

RATE

Customer Charge: \$65.00 per delivery point per month.

Demand Charge:

Winter Rate: (Applicable during 8 billing periods of October through May)	Secondary Distribution	Primary Distribution
All kilowatts of billing demand	\$10.96 per Kw per month	\$9.86 per Kw per month

Summer Rate: (Applicable during 4 billing periods of June through September)

All kilowatts of billing demand	\$13.89 per Kw per month	\$12.59 per Kw per month
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Energy Charge: All kilowatt-hours per month 2.400¢ per KwH

ADJUSTMENT CLAUSES
The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Fuel Adjustment Clause
- Demand-Side Management Cost Recovery Mechanism
- Environmental Cost Recovery Surcharge
- Merger Surcredit Rider
- Earning Sharing Mechanism
- Value Delivery Surcredit
- Franchise Fee Rider
- School Tax

Sheet No. 70
Sheet No. 71
Sheet No. 72
Sheet No. 73
Sheet No. 74
Sheet No. 75
Sheet No. 76
Sheet No. 77

DETERMINATION OF BILLING DEMAND
The monthly billing demand shall be the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period; but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

Date of Issue: December 29, 2003
Issued By: Michael S. Beer, Vice President

Date Effective: February 1, 2004

STANDARD RATE SCHEDULE LC
Large Commercial Rate (Continued)

FUEL CLAUSE, DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM AND ENVIRONMENTAL COST RECOVERY SURCHARGE

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24, the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 23-B through 23-I and the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.

MINIMUM BILL

The monthly bill shall in no event be less than the customer charge plus the demand charge computed upon the billing demand for the month.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT AND EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal light and power circuit or circuits.

POWER FACTOR

This rate allows an average lagging power factor of not less than 85%. Suitable accessory equipment shall be installed by the customer where necessary to avoid a lower power factor.

TERMS OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.

Date of Issue: February 21, 2000

Issued By

Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 17/00 in Case No. 98-426

ELECTRIC RATE SCHEDULE LC
Large Commercial Rate

Where light and power service at a single service location are measured through separate meters, the highest 15-minute demands for each character of service shall be combined for billing purposes.

PRIMARY DISTRIBUTION SERVICE

The above demand charge for primary distribution service is predicated on the customer's taking service at the applicable voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2400/4160Y, 7200/4160Y, 13,800 or 34,500.

MINIMUM CHARGE

The bill shall in no event be less than the Customer Charge plus the Demand Charge computed upon the billing demand for the month.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT AND EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal light and power circuit or circuits.

TERMS OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE LC-TOD
Large Commercial Time-of-Day Rate

APPLICABLE
In all territory served.

AVAILABILITY

This schedule is available for alternating current service to customers whose monthly demand is equal to or greater than 150 kilowatts and whose entire lighting and power requirements are purchased under this schedule at a single service location.

RATE

Customer Charge: \$19.27 per delivery point per month

Demand Charge:

Basic Demand Charge \$3.58 per Kw per month
Secondary Distribution \$1.93 per Kw per month
Primary Distribution

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period \$6.46 per Kw per month
Winter Peak Period \$3.45 per Kw per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.890¢ per KwH

SUMMER PEAK PERIOD is defined as weekdays, except holidays as recognized by Company, from 9 A.M. to 11 P.M. local time, during the 4 monthly billing periods of June through September.

WINTER PEAK PERIOD is defined as weekdays, except holidays as recognized by Company, from 6 A.M. to 10 P.M. local time, during the 8 monthly billing periods of October through May.

Date of Issue: May 13, 2003
Canceling Second Revision of
Original Sheet No. 11-A
Issued November 11, 2002

Issued By

Date Effective: May 1, 2003

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K P S C Order of APR 01 in Case No. 2003-00414

ELECTRIC RATE SCHEDULE LC-TOD
Large Commercial Time-of-Day Rate

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for alternating current service to customers whose monthly demand is equal to or greater than 2,000 kilowatts and whose entire lighting and power requirements are purchased under this schedule at a single service location.

RATE

Customer Charge: \$90.00 per delivery point per month

Demand Charge:

Basic Demand Charge \$3.22 per KW per month
Secondary Distribution \$2.12 per KW per month
Primary Distribution

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period \$10.47 per KW per month
Winter Peak Period \$ 7.74 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.400¢ per KW H

SUMMER PEAK PERIOD is defined as weekdays from 10 A.M. to 9 P.M., Eastern Standard Time during the 4 billing periods of June through September.

WINTER PEAK PERIOD is defined as weekdays, except from 8 A.M. to 10 P.M., Eastern Standard Time, during the 8 billing periods of October through May.

PRIMARY DISTRIBUTION SERVICE

The above demand charge for primary distribution service is predicated on the customer's taking service at the applicable voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2400/4160Y, 7200/12,470Y, 13,800 or 34,500.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 11-B
P. S. C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE	LC-TOD
Large Commercial Time-of-Day Rate (Continued)	
PRIMARY DISTRIBUTION SERVICE The above demand charge for primary distribution service is predicated on the customer's taking service at the applicable voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2400/4160Y, 7200/12,470Y, 13,800 or 34,500.	
FUEL CLAUSE, DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM AND ENVIRONMENTAL COST RECOVERY SURCHARGE The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24, the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 23-B through 23-I, and the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.	
MINIMUM BILL The monthly bill shall in no event be less than the customer charge plus the demand charge computed upon the billing demand for the month.	
PROMPT PAYMENT PROVISION The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
EXIT OR EMERGENCY LIGHTING Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal light and power circuit or circuits.	
POWER FACTOR This rate allows an average lagging power factor of not less than 85%. Suitable accessory equipment shall be installed by the customer where necessary to avoid a lower power factor.	
TERMS OF CONTRACT Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.	
APPLICABILITY OF RULES Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.	

Date of Issue: February 21, 2000
Issued By
Date Effective: March 1, 2000
R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to P.S.C. Order of 1/7/00 in Case No. 98-426

Louisville Gas and Electric Company

Original Sheet No. 20-1
P. S. C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE	LC-TOD
Large Commercial Time-of-Day Rate	
ADJUSTMENT CLAUSES The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following: Fuel Adjustment Clause Demand-Side Management Cost Recovery Mechanism Environmental Cost Recovery Surcharge Merger Surcharge Rider Earning Sharing Mechanism Value Delivery Surcredit Franchise Fee Rider School Tax Sheet No. 70 Sheet No. 71 Sheet No. 72 Sheet No. 73 Sheet No. 74 Sheet No. 75 Sheet No. 76 Sheet No. 77	
MINIMUM CHARGE The bill shall in no event be less than the Customer Charge plus the Demand Charge computed upon the billing demand for the month.	
LATE PAYMENT CHARGE The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
EXIT OR EMERGENCY LIGHTING Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal light and power circuit or circuits.	
TERMS OF CONTRACT Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.	
TERMS AND CONDITIONS Service will be furnished under Company's Terms and Conditions applicable hereto.	

Date of Issue: December 29, 2003
Issued By
Date Effective: February 1, 2004
Michael S. Beer, Vice President

STANDARD RATE SCHEDULE		LP	Industrial Power Rate	
APPLICABLE In all territory served.				
AVAILABILITY This schedule is available for three-phase industrial power and lighting service to customers whose monthly demand is less than 2,000 kilowatts, the customer to furnish and maintain all necessary transformation and voltage regulatory equipment required for lighting usage. As used herein, the term "industrial" shall apply to any activity engaged primarily in manufacturing or to any other activity where the usage for lighting does not exceed 10% of total usage.				
RATE				
Customer Charge:	\$42.64 per delivery point per month			
Demand Charge:		Secondary Distribution	Primary Distribution	Transmission Line
Winter Rate: (Applicable during 8 monthly billing periods of October through May)	All kilowatts of billing demand	\$7.90 per Kw per month	\$6.01 per Kw per month	\$4.87 per Kw per month
Summer Rate: (Applicable during 4 monthly billing periods of June through September)	All kilowatts of billing demand	\$10.41 per Kw per month	\$8.55 per Kw per month	\$7.39 per Kw per month
Energy Charge:	All kilowatt-hours per month 2.48¢ per KwH		
DETERMINATION OF BILLING DEMAND The monthly billing demand shall be the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period; but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September, within the 11 preceding months, nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).				
PRIMARY DISTRIBUTION AND TRANSMISSION LINE SERVICE The above demand charges for primary distribution and transmission line service are predicated on the customer's taking service at the applicable available voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2,400/4,160/7,200/12,470V, 13,800, or 34,500. The transmission line voltages of Company, where available, are 69,000, 138,000 and 345,000.				

Date of Issue: May 11, 2003
Cancelled Third Revision of Original Sheet No. 12
Issued November 11, 2003

Issued By

Date Effective: May 1, 2003

Michael S. Bear, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 473303 in Case No. 2003-000434

ELECTRIC RATE SCHEDULE		LP	Large Power Industrial Rate	
APPLICABLE In all territory served.				
AVAILABILITY OF SERVICE This schedule is available for three-phase power and lighting service to industrial customers whose monthly demand is less than 2,000 kilowatts, the customer to furnish and maintain all necessary transformation and voltage regulatory equipment required for lighting usage. As used herein, the term "industrial" shall apply to any activity engaged primarily in manufacturing or to any other activity where the usage for lighting does not exceed 10% of total usage.				
RATE				
Customer Charge:	\$80.00 per delivery point per month			
Demand Charge:		Secondary Distribution	Primary Distribution	Transmission Line
Winter Rate: (Applicable during 8 billing periods of October through May)	All kilowatts of billing demand	\$11.73 per Kw per month	\$10.63 per Kw per month	\$9.49 per Kw per month
Summer Rate: (Applicable during 4 billing periods of June through September)	All kilowatts of billing demand	\$14.27 per Kw per month	\$13.17 per Kw per month	\$12.01 per Kw per month
Energy Charge:	All kilowatt-hours per month 2.00¢ per KWH		
ADJUSTMENT CLAUSES The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following: Fuel Adjustment Clause Demand-Side Management Cost Recovery Mechanism Environmental Cost Recovery Surcharge Merger Surcredit Rider Earning Sharing Mechanism Value Delivery Surcredit Franchise Fee Rider School Tax Sheet No. 70 Sheet No. 71 Sheet No. 72 Sheet No. 73 Sheet No. 74 Sheet No. 75 Sheet No. 76 Sheet No. 77				
Customers receiving service hereunder may elect not to participate in programs pursuant to the DSM Cost Recovery Mechanism, and such customers will not be assessed a charge thereunder. A customer may not opt out of the DSM Cost Recovery Mechanism for three years from the date it last received a DSM program pursuant to the mechanism. Those customers that opt out must pay in a lump sum any unpaid balance of its share of the costs of any DSM programs it has received. However, a customer who opts out may reverse that election and participate under the DSM Cost Recovery Mechanism.				

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE LP
Industrial Power Rate (Continued)

POWER FACTOR PROVISION

In the case of customers with maximum demands of 150 kilowatts or more, the monthly demand charge shall be decreased 4% for each whole one per cent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one per cent by which the monthly average power factor is less than 80% lagging. Customers with maximum demands less than 150 kilowatts shall maintain an average lagging power factor of not less than 80%, and suitable accessory equipment shall be installed by such customers where necessary to avoid a lower power factor.

Monthly average power factor shall be determined by means of a reactive component meter ratcheted to record only lagging reactive kilovolt ampere hours, used in conjunction with a standard watt-hour meter.

FUEL CLASSE, DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM AND ENVIRONMENTAL COST RECOVERY SURCHARGE

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24, the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 23-B through 23-I and the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.

MINIMUM MONTHLY CHARGES

The customer charge plus the monthly billing demand, which is the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

FLUCTUATING LOAD CONDITIONS

In the case of hoists, elevators, transformer type welders, furnaces and other installations where the use of electricity is intermittent and subject to violent fluctuations, the Company reserves the right to require the customer to provide at his own expense suitable equipment to reasonably limit such intermittence or fluctuation.

EXIT OR EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal power circuit.

Date of Issue: February 21, 2000

Issued By

Date Effective: March 1, 2000

R. M. Harwell, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 17700 in Case No. 98-426

ELECTRIC RATE SCHEDULE LP
Large Power Industrial Rate

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

PRIMARY DISTRIBUTION AND TRANSMISSION LINE SERVICE

The above demand charges for primary distribution and transmission line service are predicated on the customer's taking service at the applicable available voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2,400/4,160Y, 7,200/12,470Y, 13,800, or 34,500. The transmission line voltages of Company, where available, are 69,000, 138,000 and 345,000.

POWER FACTOR PROVISION

In the case of customers with maximum demands of 150 kilowatts or more, the monthly demand charge shall be decreased .4% for each whole one per cent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one per cent by which the monthly average power factor is less than 80% lagging. Customers with maximum demands less than 150 kilowatts shall maintain an average lagging power factor of not less than 80%, and suitable accessory equipment shall be installed by such customers where necessary to avoid a lower power factor.

Monthly average power factor shall be determined by means of a reactive component meter ratcheted to record only lagging reactive kilovolt ampere hours, used in conjunction with a standard watt-hour meter.

MINIMUM CHARGE

The Customer Charge plus the monthly billing demand, which is the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT OR EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal power circuit.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President

Louisville Gas and Electric Company

Original Sheet No. 12-B
P. S. C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE LP
Industrial Power Rate (Continued)

TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

APPLICABILITY OF RULES

Service under this rate schedules is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.

Louisville Gas and Electric Company

Original Sheet No. 25.2
P. S. C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE LP
Large Power Industrial Rate

TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: February 21, 2000

Issued By

Date Effective: March 1, 2000

R. M. Bennett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 177/00 in Case No. 98-426

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 30
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE LP-TOD
Large Power Industrial Time-of-Day Rate

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for three-phase power and lighting service to industrial customers whose monthly demand is equal to or greater than 2,000 kilowatts, the customer to furnish and maintain all necessary transformation and voltage regulatory equipment required for lighting usage. Company reserves the right to decline to serve any new load of more than 50,000 kilowatts under this rate schedule. As used herein, the term "industrial" shall apply to any activity engaged primarily in manufacturing or to any other activity where the use for lighting does not exceed 10% of total usage. This monthly demand requirement of equal to or greater than 2,000 kilowatts will apply only to customers who request service under this rate on and after February 1, 2004.

RATE

Customer Charge: \$120.00 per delivery point per month

Demand Charge:

Basic Demand Charge	\$4.62 per KW per month
Secondary Distribution	\$3.52 per KW per month
Primary Distribution	\$2.33 per KW per month
Transmission Line	

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period	\$9.65 per KW per month
Winter Peak Period	\$7.11 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.000¢ per KWH

SUMMER PEAK PERIOD is defined as weekdays from 10 A.M. to 9 P.M. Eastern Standard Time, during the 4 billing periods of June through September.

WINTER PEAK PERIOD is defined as weekdays from 8 A.M. to 10 P.M., Eastern Standard Time, during the 8 billing periods of October through May.

Date of Issue: December 28, 2003 Issued By Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Third Revision of Original Sheet No. 15-A
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE LP-TOD
Industrial Power Time-of-Day Rate

APPLICABLE
In all territory served.

AVAILABILITY

This schedule is available for three-phase industrial power and lighting service to customers whose monthly demand is equal to or greater than 150 kilowatts, the customer to furnish and maintain all necessary transformation and voltage regulatory equipment required for lighting usage. As used herein the term "industrial" shall apply to any activity engaged primarily in manufacturing or to any other activity where the usage for lighting does not exceed 10% of total usage. Company reserves the right to decline to serve any new load of more than 50,000 kilowatts under this rate schedule.

RATE

Customer Charge: \$44.62 per delivery point per month

Demand Charge:

Basic Demand Charge	\$5.11 per Kw per month
Secondary Distribution	\$3.20 per Kw per month
Primary Distribution	\$2.05 per Kw per month
Transmission Line	

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period	\$5.36 per Kw per month
Winter Peak Period	\$2.94 per Kw per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.480¢ per Kwh

SUMMER PEAK PERIOD is defined as weekdays, except holidays as recognized by Company, from 9 A.M. to 11 P.M. local time, during the 4 monthly billing periods of June through September.

Date of Issue: May 13, 2003 Issued By Date Effective: May 1, 2003
Canceling Second Revision of Original Sheet No. 15-A
Issued November 11, 2002

Michael S. Bear, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-00434

Louisville Gas and Electric Company

Original Sheet No. 30.1
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE LP-TOD
Large Power Industrial Time-of-Day Rate

PRIMARY DISTRIBUTION AND TRANSMISSION LINES SERVICE

The above demand charge for primary distribution and transmission line service are predicated on the customer's taking service at the applicable available voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2,400/4,160Y, 7,200/12,470Y, 13,800, or 34,500. The transmission line voltages of Company, where available, are 69,000, 138,000 and 345,000.

POWER FACTOR PROVISION

The monthly demand charge shall be decreased .4% for each whole one percent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one percent by which the monthly average power factor is less than 80% lagging.

Monthly average power factor shall be determined by means of a reactive component meter ratcheted to record only lagging reactive kilovolt ampere hours, used in conjunction with a standard wait-hour meter.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Fuel Adjustment Clause Sheet No. 70
- Demand-Side Management Cost Recovery Mechanism Sheet No. 71
- Environmental Cost Recovery Surcharge Sheet No. 72
- Merger Surcredit Rider Sheet No. 73
- Earning Sharing Mechanism Sheet No. 74
- Value Delivery Surcredit Sheet No. 75
- Franchise Fee Rider Sheet No. 76
- School Tax Sheet No. 77

Customers receiving service hereunder may elect not to participate in programs pursuant to the DSM Cost Recovery Mechanism, and such customers will not be assessed a charge thereunder. A customer may not opt out of the DSM Cost Recovery Mechanism for three years from the date it last received a DSM program pursuant to the mechanism. Those customers that opt out must pay in a lump sum any unpaid balance of its share of the costs of any DSM programs it has received. However, a customer who opts out may reverse that election and participate under the DSM Cost Recovery Mechanism.

MINIMUM CHARGE

The bill shall in no event be less than the Customer Charge plus the Demand Charge computed upon the billing demand for the month.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 15-B
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE LP-TOD
Industrial Power Time-of-Day Rate (Continued)

WINTER PEAK PERIOD is defined as weekdays, except holidays as recognized by Company, from 6 A.M. to 10 P.M. local time, during the 8 monthly billing periods of October through May.

PRIMARY DISTRIBUTION AND TRANSMISSION LINES SERVICE

The above demand charge for primary distribution and transmission line service are predicated on the customer's taking service at the applicable available voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2,400/4,160Y, 7,200/12,470Y, 13,800, or 34,500. The transmission line voltages of Company, where available, are 69,000, 138,000 and 345,000.

POWER FACTOR PROVISION

The monthly demand charge shall be decreased .4% for each whole one percent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one percent by which the monthly average power factor is less than 80% lagging.

Monthly average power factor shall be determined by means of a reactive component meter ratcheted to record only lagging reactive kilovolt ampere hours, used in conjunction with a standard wait-hour meter.

FUEL CLAUSE, DEMAND-SIDE MANAGEMENT COST RECOVERY MECHANISM AND ENVIRONMENTAL COST RECOVERY SURCHARGE

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24, the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 23-B through 23-I and the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.

Customers receiving service hereunder may elect not to participate in programs pursuant to the DSM Cost Recovery Mechanism, and such customers will not be assessed a charge thereunder. A customer may not opt out of the DSM Cost Recovery Mechanism for three years from the date it last received a DSM program pursuant to the mechanism. Those customers that opt out must pay in a lump sum any unpaid balance of its share of the costs of any DSM programs it has received. However, a customer who opts out may reverse that election and participate under the DSM Cost Recovery Mechanism.

MINIMUM MONTHLY CHARGES

The monthly bill shall in no event be less than the customer charge plus the demand charge computed upon the billing demand for the month.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

Date of Issue: February 21, 2000 Issued By Date Effective: March 1, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 1/7/00 in Case No. 98-426

Louisville Gas and Electric Company

Original Sheet No. 15-C
P. S. C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE LP-TOD
Industrial Power Time-of-Day Rate (Continued)

FLUCTUATING LOAD CONDITIONS

In the case of hotels, elevators, transformer type welders, furnaces and other installations where the use of electricity is intermittent and subject to violent fluctuations, the Company reserves the right to require the customer to provide at his own expense suitable equipment to reasonably limit such intermittence or fluctuation.

EXIT OR EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal power circuit.

TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.

Date of Issue: February 21, 2000

Issued By

Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 1/7/00 in Case No. 99-426

Louisville Gas and Electric Company

Original Sheet No. 30.2
P. S. C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE LP-TOD
Large Power Industrial Time-of-Day Rate

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

EXIT OR EMERGENCY LIGHTING

Where governmental code or regulation requires a separate circuit for exit or emergency lighting, the demand and consumption of such separate circuit may be combined for billing with those of the principal power circuit.

TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 33
P.S.C. of Ky. Electric No. 6

N

ELECTRIC RATE SCHEDULE **NCLS**
Non-Conforming Load Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase delivery to customers with non-conforming loads up to an aggregate of two hundred (200) MVA for all customers taking service under this schedule and under the NCLS schedule of Kentucky Utilities Company. This schedule is restricted to individual customers whose monthly demand is twenty (20) MVA or greater. A customer is defined as non-conforming if that customer's load either increases or decreases twenty (20) MVA or more per minute or seventy (70) MVA or more in ten (10) minutes when such increases or decreases exceed one (1) occurrence per hour during any hour of the billing month.

Subject to the above aggregate limit of two hundred (200) MVA, this schedule is mandatory for all customers whose load is defined as non-conforming and not served on another standard rate schedule as of the effective date this rate schedule is approved by the Public Service Commission of Kentucky.

BASE RATE

Energy Charge of: Per monthly billing period	<u>Primary</u>	<u>Transmission</u>
	\$0.0150 per kWh	\$0.0150 per kWh
Plus a Demand Charge of: Per monthly billing period of		
Basic Demand Charge	\$5.79 per KVA	\$3.71 per KVA
Plus Peak Demand Charge		
Winter Peak	\$5.13 per KVA	\$5.13 per KVA
Summer Peak	\$9.69 per KVA	\$9.69 per KVA

Where the monthly billing peak demands, measured over a five (5) minute interval, are the greater of the applicable charge per KVA times:

- a) the maximum metered peak period demands in the monthly billing period,
- b) 60% of the maximum metered peak period demands in the preceding eleven (11) monthly billing periods,
- c) 60% of the contract capacity based on the expected maximum demand upon the system, or
- d) minimum may be adjusted where customer's service requires an abnormal investment in special facilities.

The On-Peak Period shall be weekdays, 8:00 a.m. - 10:00 p.m., Eastern Standard Time, year round, throughout the Company's service territory. The Off-Peak Period shall consist of all other hours.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 33.1
P.S.C. of Ky. Electric No. 6

N

ELECTRIC RATE SCHEDULE **NCLS**
Non-Conforming Load Service

MINIMUM BILL

The minimum bill will be the Demand Charge. Without limiting the foregoing, the Demand Charge shall be due regardless of any event or occurrence that might limit (a) Customer's ability or interest in operating Customer's facility, including but without limitation any acts of God, fires, floods, earthquakes, acts of government, terrorism, severe weather, riot, embargo, changes in law, or strikes or (b) the Company's ability to serve customer.

ADJUSTMENT CLAUSES

The amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Fuel Adjustment Clause Sheet No. 70
- Demand-Side Management Surcharge Sheet No. 71
- Environmental Cost Recovery Surcharge Sheet No. 72
- Merger Surcredit Rider Sheet No. 73
- Earnings Sharing Mechanism Sheet No. 74
- Value Delivery Surcredit Rider Sheet No. 75
- Franchise Fee Rider Sheet No. 76
- School Tax Sheet No. 77

DUE DATE OF BILL

Customer's payment will be due within 15 days from date of bill.

TERM OF CONTRACT

Unless terminated by mutual agreement, the initial term of contract for service under the BASE RATE shall be for a fixed term of five years with successive one year term renewal until canceled by either party giving at least 1 year written notice to the other prior to the end of the initial term or the then current annual renewal period, as applicable.

SYSTEM CONTINGENCIES AND INDUSTRY SYSTEM PERFORMANCE CRITERIA

Company reserves the right to interrupt Customer's load to facilitate Company compliance with system contingencies and with industry performance criteria. Customer will permit Company to install electronic equipment and associated real-time metering to permit Company interruption of Customer's load. Such equipment will immediately notify Customer five (5) minutes before an electronically initiated interruption that will begin immediately thereafter and last no longer than ten (10) minutes. Such interruptions will not be accumulated nor credited against annual hours, if any, under the CURTAILMENT SERVICE RIDER.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE OL
Outdoor Lighting Service

APPLICABLE
In all territory served.

AVAILABILITY

To any customer who can be served in accordance with the special terms and conditions set forth herein and who is willing to contract for service in accordance with such special terms and conditions.

CHARACTER OF SERVICE

This rate schedule covers electric lighting service to outdoor equipment for the illumination of streets, driveways, yards, lots and other outdoor areas. Company will provide, own and maintain the lighting equipment, as hereinafter described, and will furnish the electrical energy to operate such equipment. Service under this rate will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4000 hours per year, and only to the types of lighting units specified herein.

RATES

Type of Unit	Rate Per Month Per Unit	
	Installed Prior to January 1, 1991	Installed After December 31, 1990
Overhead Service		
Mercury Vapor	\$ 6.60	\$ 0.01
100 Watt	7.43	8.76
175 Watt	8.41	9.78
250 Watt	10.17	11.67
400 Watt	18.44	20.94
1000 Watt		
High Pressure Sodium Vapor	\$ 7.33	\$ 7.33
100 Watt	9.37	9.37
150 Watt	11.03	11.03
250 Watt	11.58	11.58
400 Watt	27.43	27.43
1000 Watt		
Underground Service		
Mercury Vapor	\$11.53	\$12.24
100 Watt - Top Mounted	12.24	13.16
175 Watt - Top Mounted		
High Pressure Sodium Vapor	\$10.28	\$ 10.28
70 Watt - Top Mounted	13.57	13.57
100 Watt - Top Mounted	0.01	16.45
150 Watt - Top Mounted	18.49	18.49
175 Watt - Top Mounted	21.16	21.16
250 Watt	23.23	23.23
400 Watt	0.01	52.24
1000 Watt		

Date of Issue: May 13, 2003
Cancelling Second Revision of Original Sheet No. 16
Issued November 11, 2002

Issued By

Date Effective: May 1, 2003

Michael S. Baer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-00434

ELECTRIC RATE SCHEDULE OL
Outdoor Lighting Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE - RESTRICTED

To any customer who can be served in accordance with the special terms and conditions set forth herein and who is willing to contract for service in accordance with such special terms and conditions. This rate schedule will continue to be available only to customers that were being served hereunder on February 1, 2004, and will not be available for the addition of new customers.

CHARACTER OF SERVICE

This rate schedule covers electric lighting service to outdoor equipment for the illumination of streets, driveways, yards, lots and other outdoor areas. Company will provide, own and maintain the lighting equipment, as hereinafter described, and will furnish the electrical energy to operate such equipment. Service under this rate will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4000 hours per year, and only to the types of lighting units specified herein.

RATES

Type of Unit	Rate Per Month Per Unit
Overhead Service	
Mercury Vapor	\$ 7.36
100 Watt	8.35
175 Watt	9.46
250 Watt	11.53
400 Watt	22.06
1000 Watt	
High Pressure Sodium Vapor	\$ 8.19
100 Watt	10.47
150 Watt	12.33
250 Watt	12.85
400 Watt	30.66
1000 Watt	
Underground Service	
Mercury Vapor	\$12.89
100 Watt - Top Mounted	13.97
175 Watt - Top Mounted	
High Pressure Sodium Vapor	\$11.49
70 Watt - Top Mounted	15.17
100 Watt - Top Mounted	18.39
150 Watt - Top Mounted	20.87
175 Watt - Top Mounted	23.65
250 Watt	25.97
400 Watt	58.40
1000 Watt	

Date of Issue: December 28, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Baer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE		OL
Decorative Lighting Service		Outdoor Lighting Service (Continued)
Fixtures	Rate Per Month Per Unit	
Acorn with Decorative Basket	\$14.56	
70 Watt High Pressure Sodium	15.23	
100 Watt High Pressure Sodium		
9-Sided Coach	14.73	
70 Watt High Pressure Sodium	15.40	
100 Watt High Pressure Sodium		
Poles		
10' Smooth	8.50	
10' Fluted	10.15	
Bases		
Old Town/Manchester	2.73	
Chesapeake/Franklin	2.92	
Jefferson/Westchester	2.92	
Norfolk/Essex	3.11	

FUEL CLAUSE AND ENVIRONMENTAL COST RECOVERY SURCHARGE

The rates specified herein are subject to the Fuel Clause set forth on Sheet No. 24 of this Tariff. Said Fuel Clause shall be applied to the kilowatt-hours consumed by each lighting unit within the billing period, determined in accordance with the table contained in the Standard Rider "Kilowatt-hours Consumed by Street Lighting Units" set forth on Sheet No. 23-A of this Tariff. The rates specified herein are also subject to the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.

SPECIAL TERMS AND CONDITIONS

- Company will furnish and install the lighting unit complete with lamp, fixture or luminaire, control device, and mast arm. The above rates for overhead service contemplate installation on an existing wood pole with service supplied from overhead circuits only; provided, however, that, when possible, floodlights served hereunder may be attached to existing metal street lighting standards supplied from overhead service. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit, the customer to pay an additional charge of \$1.66 per month for each such pole so installed. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.
- The above rates for underground service contemplate a normal installation served from underground lines located in the streets, with a direct buried cable connection of not more than 200 feet per unit in those localities supplied with electric service through underground distribution facilities. If additional facilities are required, the customer shall make a non-refundable cash advance equivalent to the installed cost of such excess facilities. The Company may provide underground lighting service in localities otherwise served through overhead facilities when, in its hereto in localities deemed by the Company as unsuitable for underground installation.

Date of Issue: May 13, 2003
Cancelling Second Revision of
Original Sheet No. 17
Issued November 11, 2002

Date Effective: May 1, 2003

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-00034

ELECTRIC RATE SCHEDULE		OL
Decorative Lighting Service		Outdoor Lighting Service
Fixtures	Rate Per Month Per Unit	
Acorn with Decorative Basket	\$16.28	
70 Watt High Pressure Sodium		
100 Watt High Pressure Sodium	17.03	
9-Sided Coach	16.47	
70 Watt High Pressure Sodium	17.22	
100 Watt High Pressure Sodium		
Poles		
10' Smooth	9.50	
10' Fluted	11.35	
Bases		
Old Town/Manchester	3.05	
Chesapeake/Franklin	3.26	
Jefferson/Westchester	3.26	
Norfolk/Essex	3.48	

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Fuel Adjustment Clause
- Demand Side Management Surcharge
- Environmental Surcharge
- Merger Surcredit
- Earnings Sharing Mechanism
- Value Delivery Surcredit
- Franchise Fee
- School Tax

- Sheet No. 70
- Sheet No. 71
- Sheet No. 72
- Sheet No. 73
- Sheet No. 74
- Sheet No. 75
- Sheet No. 76
- Sheet No. 77

SPECIAL TERMS AND CONDITIONS

- Company will furnish and install the lighting unit complete with lamp, fixture or luminaire, control device, and mast arm. The above rates for overhead service contemplate installation on an existing wood pole with service supplied from overhead circuits only; provided, however, that, when possible, floodlights served hereunder may be attached to existing metal street lighting standards supplied from overhead service. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit, the customer to pay an additional charge of \$1.86 per month for each such pole so installed. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.
- The above rates for underground service contemplate a normal installation served from underground lines located in the streets, with a direct buried cable connection of not more than 200 feet per unit in those localities supplied with electric service through underground distribution facilities. If additional facilities are required, the customer shall make a

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE **OL**
Outdoor Lighting Service (Continued)

3. **DECORATIVE LIGHTING SERVICE.** The monthly rates for Decorative Lighting are calculated as the sum of the rates for the individual elements of the customized light. For example, the monthly rate will be calculated as the sum of the rates for the chosen fixture style and wattage, the chosen pole style, and the chosen base style, if one is chosen. This provides flexibility for the Company to meet the individual desires of each Decorative Lighting customer.
4. All lighting units, poles and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service.
5. If any permit is required from municipal or other governmental authority with respect to the installation and use of any of the lighting units served hereunder, it will be the responsibility of the customer to obtain such permit.
6. All servicing and maintenance will be performed only during regular schedule working hours of the Company. The customer shall be responsible for reporting outages and other operating faults, and the Company will undertake to service the lighting equipment within 48 hours after such notification by the customer.
7. The customer will exercise proper care to protect the property of Company on his premises, and in the event of loss or damage to Company's property arising from the negligence of the customer, the cost of the necessary repair or replacement shall be paid by the customer. Company may decline to install equipment and provide service thereto in locations where, in Company's judgement, such equipment will be subject to unusual hazards or risk of damage.
8. Contracts for this service shall have a minimum fixed term of two years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for non-payment of bills or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
9. Before agreeing to install lighting units Company may require reasonable assurance that the interest of the applicant for service will continue for a minimum fixed contract term or that the service will be continued by another party after the interest of the original applicant has terminated.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company rules and regulations governing the supply of electric service as incorporated in this Tariff.

Date of Issue: February 21, 2000

Issued By

Date Effective: March 1, 2000

R. M. Harrett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 17706 in Case No. 98-426

ELECTRIC RATE SCHEDULE **OL**
Outdoor Lighting Service

non-refundable cash advance equivalent to the installed cost of such excess facilities. The Company may provide underground lighting service in localities otherwise served through overhead facilities when, in its hereto in locations deemed by the Company as unsuitable for underground installation.

3. **DECORATIVE LIGHTING SERVICE.** The monthly rates for Decorative Lighting are calculated as the sum of the rates for the individual elements of the customized light. For example, the monthly rate will be calculated as the sum of the rates for the chosen fixture style and wattage, the chosen pole style, and the chosen base style, if one is chosen. This provides flexibility for the Company to meet the individual desires of each Decorative Lighting customer.
4. All lighting units, poles and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service.
5. If any permit is required from municipal or other governmental authority with respect to the installation and use of any of the lighting units served hereunder, it will be the responsibility of the customer to obtain such permit.
6. All servicing and maintenance will be performed only during regular schedule working hours of the Company. The customer shall be responsible for reporting outages and other operating faults, and the Company will undertake to service the lighting equipment within 48 hours after such notification by the customer.
7. The customer will exercise proper care to protect the property of Company on his premises, and in the event of loss or damage to Company's property arising from the negligence of the customer, the cost of the necessary repair or replacement shall be paid by the customer. Company may decline to install equipment and provide service thereto in locations where, in Company's judgment, such equipment will be subject to unusual hazards or risk of damage.
8. Contracts for this service shall have a minimum fixed term of two years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for non-payment of bills or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
9. Before agreeing to install lighting units Company may require reasonable assurance that the interest of the applicant for service will continue for a minimum fixed contract term or that the service will be continued by another party after the interest of the original applicant has terminated.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE **PSL**
Public Street Lighting Service

APPLICABLE
In all territory served.

AVAILABILITY
Available to municipal, county, state and Federal governments, including divisions thereof, and other bodies public which have the authority to levy and collect general taxes, for the lighting of public streets and roads, public parks and other outdoor locations open to and reserved for general public use.

CHARACTER OF SERVICE
This rate schedule covers electric lighting service to Company-owned and maintained street lighting equipment as hereinafter described. Service under this rate schedule will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4,000 hours per year, and only to the types of lighting units specified herein.

RATES

Type of Unit	Rate Per Month Per Unit	
	Installed Prior to Jan. 1, 1981	Installed After Dec. 31, 1980
Overhead Service		
Mercury Vapor		
100 Watt	\$ 5.92	\$ -0-
175 Watt	6.90	8.58
250 Watt	7.82	9.60
400 Watt	9.31	11.49
400 Watt (underground pole)	13.54	-0-
1000 Watt	17.18	20.69
High Pressure Sodium Vapor		
100 Watt	\$ 7.08	\$ 7.08
150 Watt	8.46	8.46
250 Watt	10.10	10.10
400 Watt	10.44	10.44
1000 Watt	-0-	23.74
Underground Service		
Mercury Vapor		
100 Watt - Top Mounted	\$ 9.70	\$11.98
175 Watt - Top Mounted	10.58	12.97
250 Watt	14.39	20.49
400 Watt	15.35	21.51
1000 Watt	18.01	23.40
400 Watt on State of Ky. Pole	10.56	-0-
High Pressure Sodium Vapor		
70 Watt - Top Mounted	\$10.28	\$10.28
100 Watt - Top Mounted	10.66	10.66
150 Watt - Top Mounted	-0-	15.76
250 Watt - Top Mounted	18.47	18.47
400 Watt - Top Mounted	19.54	19.54
1000 Watt	9.92	-0-
250 Watt on State of Ky. Pole	20.86	20.86
400 Watt	-0-	48.55
1000 Watt	\$ 7.91	\$ -0-
Incandescent		
1500 Lumen	10.34	-0-
6000 Lumen		

Date of Issue: May 13, 2003
 Canceled First Revision of Original Sheet No. 19
 Issued November 11, 2002

Issued By: Michael S. Beer, Vice President
 Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of 472303 in Case No. 2003-00434

Date Effective: May 1, 2003

ELECTRIC RATE SCHEDULE **PSL**
Public Street Lighting Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE - RESTRICTED
Available to municipal, county, state and Federal governments, including divisions thereof, and other bodies public which have the authority to levy and collect general taxes, for the lighting of public streets and roads, public parks and other outdoor locations open to and reserved for general public use. This rate schedule will continue to be available only to customers that were being served hereunder on February 1, 2004, and will not be available for the addition of new customers.

CHARACTER OF SERVICE
This rate schedule covers electric lighting service to Company-owned and maintained street lighting equipment as hereinafter described. Service under this rate schedule will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4,000 hours per year, and only to the types of lighting units specified herein.

RATES

Type of Unit	Rate Per Month Per Unit
Overhead Service	
Mercury Vapor	
100 Watt	\$ 6.62
175 Watt	7.71
250 Watt	8.76
400 Watt	10.41
400 Watt (underground pole)	15.07
1000 Watt	20.63
High Pressure Sodium Vapor	
100 Watt	\$ 7.91
150 Watt	9.46
250 Watt	11.29
400 Watt	11.67
1000 Watt	26.54
Underground Service	
Mercury Vapor	
100 Watt - Top Mounted	\$10.84
175 Watt - Top Mounted	11.92
250 Watt	16.09
400 Watt	17.32
1000 Watt	20.13
400 Watt on State of Ky. Pole	
70 Watt - Top Mounted	\$11.49
100 Watt - Top Mounted	11.92
150 Watt - Top Mounted	17.62
250 Watt - Top Mounted	20.85
400 Watt - Top Mounted	21.84
250 Watt on State of Ky. Pole	21.84
400 Watt	23.32
1000 Watt	54.27

Date of Issue: December 29, 2003

Issued By: Michael S. Beer, Vice President
 Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Third Revision of Original Sheet No. 20
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE		PSL
Public Street Lighting Service (Continued)		
Decorative Lighting Service Fixtures	Rate Per Month Per Unit	
Accom. with Decorative Basket	\$14.18	
70 Watt High Pressure Sodium	14.76	
100 Watt High Pressure Sodium		
8-Sided Coach	14.38	
70 Watt High Pressure Sodium	14.93	
100 Watt High Pressure Sodium		
Poles	8.50	
10' Smooth	10.15	
10' Fluted		
Bases	2.73	
Old Town/Manchester	2.92	
Chesapeake/Franklin	2.92	
Jefferson/Westchester	3.11	
Norfolk/Essex		

FUEL CLAUSE AND ENVIRONMENTAL COST RECOVERY SURCHARGE

The rates specified herein are subject to the Fuel Clause set forth on Sheet No. 24 of this Tariff. Said Fuel Clause shall be applied to the kilowatt-hours consumed by each lighting unit within the billing period, determined in accordance with the table contained in the Standard Rider "Kilowatt-hours Consumed by Street Lighting Units" set forth on Sheet No. 23-A of this Tariff. The rates specified herein are also subject to the Environmental Cost Recovery Surcharge set forth on sheet No. 23-K of this Tariff.

SPECIAL TERMS AND CONDITIONS

1. **Overhead Service.** The above rates contemplate installation on an existing pole in Company's system. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.
2. **Underground Service.** In all areas other than the downtown section of the City of Louisville designated by City ordinance as an underground district, the Company will provide a normal installation consisting of a direct buried cable connection of not more than 200 feet per unit. If additional facilities or expenditures are required, including any additional cost to break pavement or remove rock, the customer shall make a non-refundable cash advance equivalent to the excess costs. Company may decline to install equipment and provide service thereto in locations deemed by Company unsuitable for underground installation.

Date of Issue: May 13, 2003
 Canceling Second Revision of Original Sheet No. 20
 Issued November 11, 2002
 Issued By
 Date Effective: May 1, 2003

Michael S. Beer, Vice President
 Louisville, Kentucky
 Issued Pursuant to K.P.S.C. Order of 425/03 in Case No. 2003-00434

Louisville Gas and Electric Company

Original Sheet No. 36.1
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE		PSL
Public Street Lighting Service		
Decorative Lighting Service Fixtures	Rate Per Month Per Unit	
Accom. with Decorative Basket	\$15.86	
70 Watt High Pressure Sodium	16.50	
100 Watt High Pressure Sodium		
8-Sided Coach	16.07	
70 Watt High Pressure Sodium	16.69	
100 Watt High Pressure Sodium		
Poles	9.50	
10' Smooth	11.35	
10' Fluted		
Bases	3.05	
Old Town/Manchester	3.26	
Chesapeake/Franklin	3.26	
Jefferson/Westchester	3.48	
Norfolk/Essex		

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Fuel Adjustment Clause Sheet No. 70
- Demand-Side Management Surcharge Sheet No. 71
- Environmental Cost Recovery Surcharge Sheet No. 72
- Merger Surcredit Rider Sheet No. 73
- Earnings Sharing Mechanism Sheet No. 74
- Value Delivery Surcredit Rider Sheet No. 75
- Franchise Fee Rider Sheet No. 76
- School Tax Sheet No. 77

SPECIAL TERMS AND CONDITIONS

1. **Overhead Service.** The above rates contemplate installation on an existing pole in Company's system. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.
2. **Underground Service.** In all areas other than the downtown section of the City of Louisville designated by City ordinance as an underground district, the Company will provide a normal installation consisting of a direct buried cable connection of not more than 200 feet per unit. If additional facilities or expenditures are required, including any additional cost to break pavement or remove rock, the customer shall make a non-refundable cash advance equivalent to the excess costs. Company may decline to install equipment and provide service thereto in locations deemed by Company unsuitable for underground installation.

Date of Issue: December 29, 2003

Issued By
Date Effective: February 1, 2004

Michael S. Beer, Vice President
 Louisville, Kentucky

STANDARD RATE SCHEDULE

PSL

Public Street Lighting Service (Continued)

Within the aforesaid City of Louisville underground district, the Company will provide underground facilities in accordance with sound engineering practices.

3. **DECORATIVE LIGHTING SERVICE.** The monthly rates for Decorative Lighting are calculated as the sum of the rates for the individual elements of the customized light. For example, the monthly rate will be calculated as the sum of the rates for the chosen fixture style and wattage, the chosen pole style, and the chosen base style, if one is chosen. This provides flexibility for the Company to meet the individual desires of each Decorative Lighting customer.
4. Company will furnish and install the complete lighting unit. All lighting units, including poles, standards and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service.
5. Customer shall be responsible for any permit or authorization that may be required for the installation of the lighting units at the specified locations.
6. Company may decline to install equipment and provide service thereto in locations where, in Company's judgment, such equipment will be subject to unusual hazards or risk of damage.
7. Contracts for this service shall have a minimum fixed term of five years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for nonpayment of bill or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
8. Nothing herein shall prevent Company and Customer from taking into account unusual circumstances and agreeing on modifications of the above rates commensurate with such circumstances, provided such agreement are duly filed with and made subject to the jurisdiction of the Public Service Commission of Kentucky.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company rules and regulations governing the supply of electric service as incorporated in this Tariff.

Date of Issue: February 21, 2000 Issued By: Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 1/7/00 in Case No. 98-426

ELECTRIC RATE SCHEDULE

PSL

Public Street Lighting Service

Within the aforesaid City of Louisville underground district, the Company will provide underground facilities in accordance with sound engineering practices.

3. **DECORATIVE LIGHTING SERVICE.** The monthly rates for Decorative Lighting are calculated as the sum of the rates for the individual elements of the customized light. For example, the monthly rate will be calculated as the sum of the rates for the chosen fixture style and wattage, the chosen pole style, and the chosen base style, if one is chosen. This provides flexibility for the Company to meet the individual desires of each Decorative Lighting customer.
4. Company will furnish and install the complete lighting unit. All lighting units, including poles, standards and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service.
5. Customer shall be responsible for any permit or authorization that may be required for the installation of the lighting units at the specified locations.
6. Company may decline to install equipment and provide service thereto in locations where, in Company's judgment, such equipment will be subject to unusual hazards or risk of damage.
7. Contracts for this service shall have a minimum fixed term of five years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for nonpayment of bill or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
8. Nothing herein shall prevent Company and Customer from taking into account unusual circumstances and agreeing on modifications of the above rates commensurate with such circumstances, provided such agreement are duly filed with and made subject to the jurisdiction of the Public Service Commission of Kentucky.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: December 29, 2003 Issued By: Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 37
P.S.C. of Ky. Electric No. 13

N

ELECTRIC RATE SCHEDULE

**LS
Lighting Service**

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

To any customer, who can be served in accordance with the special terms and conditions set forth herein and who is willing to contract for service in accordance with such special terms and conditions.

CHARACTER OF SERVICE

This rate schedule covers electric lighting service to outdoor equipment for the illumination of streets, driveways, yards, lots and other outdoor areas. Company will provide, own and maintain the lighting equipment, as hereinafter described, and will furnish the electrical energy to operate such equipment. Service under this rate will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4000 hours per year, and only to the types of lighting units specified herein.

RATES

UNDERGROUND SERVICE

Type Of
Fixture

Lumen Output
(Approximate)

Load/Light
In KW

Monthly Rate
Per Light

High Pressure Sodium

- 4 Sided Colonial
- 4 Sided Colonial
- 4 Sided Colonial

- Acorn
- Acorn
- Acorn (Bronze Pole)
- Acorn
- Acorn (Bronze Pole)

- Contemporary
- Contemporary
- Contemporary

- Cobra Head
- Cobra Head
- Cobra Head

- * London (10' Smooth Pole)
- * London (10' Fluted Pole)
- * London (10' Smooth Pole)
- * London (10' Fluted Pole)

- * Victorian (10' Smooth Pole)
- * Victorian (10' Fluted Pole)
- * Victorian (10' Smooth Pole)
- * Victorian (10' Fluted Pole)

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 37.1
P.S.C. of Ky. Electric No. 13

N

ELECTRIC RATE SCHEDULE		LS		
		Lighting Service		
<p>• Bases Available: Old Town / Manchester 2.53 Chesapeake / Franklin 2.53 Jefferson / Westchester 2.53 Norfolk / Essex 2.88</p>				
<p><u>Mercury Vapor</u></p>				
4 Sided Colonial	4,000	.124	15.60	
8 Sided Colonial	8,000	.210	17.05	
Cobra Head	8,000	.210	21.08	
Cobra Head	13,000	.298	22.43	
Cobra Head	25,000	.462	25.28	
<p>Based on lighting choice, Company will furnish and install the lighting unit complete with lamp, fixture or luminaire, control device, mast arm (cobra head) and pole.</p> <p>The above rates for underground service contemplate a normal installation served from underground lines located in the streets, with a direct buried cable connection of not more than 200 feet per unit in those localities supplied with electric service through underground distribution facilities. If additional facilities are required, the customer shall make non-refundable cash advance equivalent to the installed cost of such excess facilities. The Company may provide underground lighting service in localities otherwise served through overhead facilities when, in its hereto in locations deemed by the Company as unsuitable for underground installation.</p>				
<p>OVERHEAD SERVICE</p>				
Type Of Fixture	Lumen Output (Approximate)	Load/Light In KW	Monthly Rate Per Light	
<p><u>High Pressure Sodium</u></p>				
Cobra Head	16,000	.200	9.16	
Cobra Head	28,500	.312	10.88	
Cobra Head	50,000	.495	14.24	
Directional Flood	16,000	.200	10.80	
Directional Flood	50,000	.495	15.11	
Open Bottom	9,500	.145	8.01	
<p><u>Mercury Vapor</u></p>				
Cobra Head	8,000	.210	9.15	
Cobra Head	13,000	.298	10.48	
Cobra Head	25,000	.462	13.32	

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Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 37.2
P.S.C. of Ky. Electric No. 13

ELECTRIC RATE SCHEDULE **LS**
Lighting Service

Directional Flood	25,000	.462	14.69
Open Bottom	8,000	.210	8.89

Based on lighting choice, Company will furnish and install the lighting unit complete with lamp, fixture or luminaire, control device and mast arm (cobra head).

The above rates for overhead service contemplate installation on an existing wood pole. If the location of an existing pole is not suitable for the installation of a lighting unit, the Company will extend its secondary conductor one span and install an additional pole for the support of such unit, the customer to pay an additional charge of \$9.79 per month for each such pole so installed. If still further poles or conductors are required to extend service to the lighting unit, the customer will be required to make a non-refundable cash advance equal to the installed cost of such further facilities.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- | | |
|---------------------------------------|--------------|
| Fuel Adjustment Clause | Sheet No. 70 |
| Demand-Side Management Surcharge | Sheet No. 71 |
| Environmental Cost Recovery Surcharge | Sheet No. 72 |
| Merger Surcredit Rider | Sheet No. 73 |
| Earnings Sharing Mechanism | Sheet No. 74 |
| Value Delivery Surcredit Rider | Sheet No. 75 |
| Franchise Fee Rider | Sheet No. 76 |
| School Tax | Sheet No. 77 |

SPECIAL TERMS AND CONDITIONS

- All lighting units, poles and conductors installed in accordance herewith shall be the property of Company, and Company shall have access to the same for maintenance, inspection and all other proper purposes. Company shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service.
- If any permit is required from municipal or other governmental authority with respect to the installation and use of any of the lighting units served hereunder, it will be the responsibility of the customer to obtain such permit.
- All servicing and maintenance will be performed only during regular schedule working hours of the Company. The customer shall be responsible for reporting outages and other operating faults, and the Company will undertake to service the lighting equipment within 48 hours after such notification by the customer.
- The customer will exercise proper care to protect the property of Company on his premises, and in the event of loss or damage to Company's property arising from the negligence of the customer, the cost of the necessary repair or replacement shall be paid by the customer.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 37.3
P.S.C. of Ky. Electric No. 13

ELECTRIC RATE SCHEDULE

LS

Lighting Service

Company may decline to install equipment and provide service thereto in locations where, in Company's judgment, such equipment will be subject to unusual hazards or risk of damage.

5. Contracts for this service shall have a minimum fixed term of five years, and shall continue from month to month after such minimum fixed term until terminated by either party giving thirty days notice to the other. Company shall have the right at any time to discontinue service for non-payment of bills or other causes set forth in its General Rules and Regulations. Upon permanent discontinuance of service, lighting units and other equipment will be removed.
6. Before agreeing to install lighting units Company may require reasonable assurance that the interest of the applicant for service will continue for a minimum fixed contract term or that the service will be continued by another party after the interest of the original applicant has terminated.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 28, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

ELECTRIC RATE SCHEDULE		SLE
Street Lighting Energy Rate		
APPLICABLE In all territory served.		
AVAILABILITY Available to municipalities, county governments, divisions or agencies of the state or Federal governments, civic associations, and other public or quasi-public agencies for service to public street and highway lighting systems, where the municipality or other agency owns and maintains all street lighting equipment and other facilities on its side of the point of delivery of the energy supplied hereunder.		
RATE 3.694¢ per kilowatt-hour.		
FUEL CLAUSE AND ENVIRONMENTAL COST RECOVERY SURCHARGE The monthly amount computed at the charge specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24 of this Tariff. Where service is unmetered, the kilowatt-hour consumption will be determined in accordance with the table contained in the Standard Rider "Kilowatt-hours Consumed by Street Lighting Units" set forth on Sheet No. 23-A of this Tariff. The monthly amount computed at the charge specified above shall also be subject to the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.		
CONDITIONS OF DELIVERY 1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption taking into account the types of equipment served. 2. The location of the point of delivery of the energy supplied hereunder and the voltage at which such delivery is effected shall be mutually agreed upon by Company and the customer in consideration of the type and size of customer's street lighting system and the voltage which Company has available for delivery.	Sheet No. 70 Sheet No. 71 Sheet No. 72 Sheet No. 73 Sheet No. 74 Sheet No. 75 Sheet No. 76 Sheet No. 77	
APPLICABILITY OF RULES Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.		

Date of Issue: May 13, 2003
Cascading Second Revision of Original Sheet No. 22
Issued November 11, 2002

Date Effective: May 1, 2003

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4723/03 In Case No. 2003-00434

ELECTRIC RATE SCHEDULE		SLE
Street Lighting Energy Rate		
APPLICABLE In all territory served.		
AVAILABILITY OF SERVICE Available to municipalities, county governments, divisions or agencies of the state or Federal governments, civic associations, and other public or quasi-public agencies for service to public street and highway lighting systems, where the municipality or other agency owns and maintains all street lighting equipment and other facilities on its side of the point of delivery of the energy supplied hereunder.		
RATE 4.125¢ per kilowatt-hour.		
ADJUSTMENT CLAUSES The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following: Fuel Adjustment Clause Demand-Side Management Surcharge Environmental Cost Recovery Surcharge Merger Surcredit Rider Earnings Sharing Mechanism Value Delivery Surcredit Rider Franchise Fee Rider School Tax	Sheet No. 70 Sheet No. 71 Sheet No. 72 Sheet No. 73 Sheet No. 74 Sheet No. 75 Sheet No. 76 Sheet No. 77	
CONDITIONS OF DELIVERY 1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption taking into account the types of equipment served. 2. The location of the point of delivery of the energy supplied hereunder and the voltage at which such delivery is effected shall be mutually agreed upon by Company and the customer in consideration of the type and size of customer's street lighting system and the voltage which Company has available for delivery.		
TERMS AND CONDITIONS Service will be furnished under Company's Terms and Conditions applicable hereto.		

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE	TLE
Traffic Lighting Energy Rate	
<p>APPLICABLE In all territory served.</p> <p>AVAILABLE Available to municipalities, county governments, divisions of the state or Federal governments or any other governmental agency for service to traffic signals or other traffic lights which operate on a 24-hour all-day every-day basis, where the governmental agency owns and maintains all equipment on its side of the point of delivery of the energy supplied hereunder. In the application of this rate each point of delivery will be considered as a separate customer.</p> <p>RATE Customer Charge: \$2.47 per meter per month 4.657¢ per kilowatt-hour.</p> <p>FUEL CLAUSE AND ENVIRONMENTAL COST RECOVERY SURCHARGE The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24 and the Environmental Cost Recovery Surcharge set forth on Sheet No. 23-K of this Tariff.</p> <p>MINIMUM BILL The customer charge.</p> <p>CONDITIONS OF SERVICE 1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption, taking into account the size and characteristics of the load, or on meter readings obtained from a similar installation. 2. The location of each point of delivery of energy supplied hereunder shall be mutually agreed upon by Company and the customer. 3. Traffic lights not operated on an all-day every-day basis will be served under General Service Rate GS.</p> <p>APPLICABILITY OF RULES Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.</p>	

Date of Issue: May 13, 2003
Canceling Second Revision of Original Sheet No. 23
Issued November 11, 2002

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-00-034

Date Effective: May 1, 2003

ELECTRIC RATE SCHEDULE	TLE
Traffic Lighting Energy Rate	
<p>APPLICABLE In all territory served.</p> <p>AVAILABILITY OF SERVICE Available to municipalities, county governments, divisions of the state or Federal governments or any other governmental agency for service to traffic signals or other traffic lights which operate on a 24-hour all-day every-day basis, where the governmental agency owns and maintains all equipment on its side of the point of delivery of the energy supplied hereunder. In the application of this rate each point of delivery will be considered as a separate customer.</p> <p>RATE Customer Charge: \$2.73 per meter per month 5.120¢ per kilowatt-hour.</p> <p>ADJUSTMENT CLAUSES The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following: Fuel Adjustment Clause Sheet No. 70 Demand-Side Management Surcharge Sheet No. 71 Environmental Cost Recovery Surcharge Sheet No. 72 Merger Surcredit Rider Sheet No. 73 Earnings Sharing Mechanism Sheet No. 74 Value Delivery Surcredit Rider Sheet No. 75 Franchise Fee Rider Sheet No. 76 School Tax Sheet No. 77</p> <p>MINIMUM CHARGE The customer charge.</p> <p>CONDITIONS OF SERVICE 1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption, taking into account the size and characteristics of the load, or on meter readings obtained from a similar installation. 2. The location of each point of delivery of energy supplied hereunder shall be mutually agreed upon by Company and the customer. 3. Traffic lights not operated on an all-day every-day basis will be served under General Service Rate GS.</p> <p>TERMS AND CONDITIONS Service will be furnished under Company's Terms and Conditions applicable hereto.</p>	

Date of Issue: December 29, 2003

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

SPPC-I

Small Power Production and Cogeneration Purchase Schedule

APPLICABLE:
In all territory served.

AVAILABILITY

This rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy only from the owner of qualifying cogeneration or small power production facilities of 100 KW or less (such owner being hereafter called "Seller") installed on Seller's property to provide all or part of its requirements of electrical energy, or from which facilities Seller may elect to sell to Company all or part of such output of electrical energy.

Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under Parallel Operation.

Company will purchase such energy from Seller at the Rate, A or B, set out below and selected as hereafter provided, and under the terms and conditions stated herein. Company reserves the right to change the said Rates, upon proper filing with and acceptance by the jurisdictional Commission.

RATE A: TIME-DIFFERENTIATED RATE

1. For summer billing months of June, July, August and September, during the hours 9:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 1.843 cents per KWH.
2. For winter billing months of December, January and February, during the hours 7:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 1.683 cents per KWH.
3. During all other hours (off-peak hours), 1.515 cents per KWH.

Determination of On-Peak and Off-Peak Hours: On-peak hours are defined as the hours of 9:01 A.M. through 10:00 P.M., E.D.T. (8:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 1 above), and the hours of 7:01 A.M. through 10:00 P.M., E.D.T. (6:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 2 above). Off-peak hours are defined as all hours other than those listed as on-peak (under 3 above). Company reserves the right to change the hours designated as on-peak from time to time as conditions indicate to be appropriate.

RATE B: NON-TIME-DIFFERENTIATED RATE

For all KWH purchased by Company, 1.575 cents per KWH.

SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

APPLICABLE:
In all territory served.

AVAILABILITY OF SERVICE

This rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy only from the owner of qualifying cogeneration or small power production facilities of 100 KW or less (such owner being hereafter called "Seller") installed on Seller's property to provide all or part of its requirements of electrical energy, or from which facilities Seller may elect to sell to Company all or part of such output of electrical energy.

Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under Parallel Operation.

Company will purchase such energy from Seller at the Rate, A or B, set out below and selected as hereafter provided, and under the terms and conditions stated herein. Company reserves the right to change the said Rates, upon proper filing with and acceptance by the jurisdictional Commission.

RATE A: TIME-DIFFERENTIATED RATE

1. For summer billing months of June, July, August and September, during the hours 9:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 1.843 cents per KWH.
2. For winter billing months of December, January and February, during the hours 7:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 1.683 cents per KWH.
3. During all other hours (off-peak hours), 1.515 cents per KWH.

Determination of On-Peak and Off-Peak Hours: On-peak hours are defined as the hours of 9:01 A.M. through 10:00 P.M., E.D.T. (8:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 1 above), and the hours of 7:01 A.M. through 10:00 P.M., E.D.T. (6:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 2 above). Off-peak hours are defined as all hours other than those listed as on-peak (under 3 above). Company reserves the right to change the hours designated as on-peak from time to time as conditions indicate to be appropriate.

RATE B: NON-TIME-DIFFERENTIATED RATE

For all KWH purchased by Company, 1.575 cents per KWH.

SPPC-1

Small Power Production and Cogeneration Purchase Schedule (Continued)

SELECTION OF RATE AND METERING

Subject to provisions hereafter in this Section relative to payment of costs of metering equipment, either Seller or Company may select Rate A, the Time-Differentiated Rate, for application to Company's said purchases of energy from Seller. If neither Seller nor Company selects Rate A, then Rate B, the Non-Time-Differentiated Rate, shall apply.

If neither Seller nor Company selects Rate A, and Rate B therefore is to apply to such purchases, Company, at Seller's cost, will install, own and operate a non-time-differentiated meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system. Such meter will be tested at intervals prescribed by Commission Regulation, with Seller having a right to witness all such tests; and Seller will pay to Company its fixed cost on such meter and equipment, expense of such periodic tests of the meter and any other expenses (all such costs and expenses, together, being hereafter called "costs of non-time-differentiated metering").

If either Seller or Company selects Rate A to apply to Company's said purchases of energy from Seller, the party (Seller or Company) so selecting Rate A shall pay (a) the cost of a time-differentiated recording meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system, required for the application of Rate A, in excess of (b) the costs of non-time-differentiated metering which shall continue to be paid by Seller.

In addition to metering referred to above, Company at its option and cost may install, own and operate, on Seller's generator, a recording meter to record the capacity, energy and reactive output of such generator at specified time intervals.

Company shall have access to all such meters at reasonable times during Seller's normal business hours, and shall regularly provide to Seller copies of all information provided by such meters.

DUE DATE OF BILL

Any payment due from Company to Seller will be due within 15 days from date of Company's reading of meter, provided, however, that, if Seller is a customer of Company, in lieu of such payment Company may offset its payment due to Seller hereunder, against Seller's next bill and payment due to Company for Company's service to Seller as customer.

PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

SELECTION OF RATE AND METERING

Subject to provisions hereafter in this Section relative to payment of costs of metering equipment, either Seller or Company may select Rate A, the Time-Differentiated Rate, for application to Company's said purchases of energy from Seller. If neither Seller nor Company selects Rate A, then Rate B, the Non-Time-Differentiated Rate, shall apply.

If neither Seller nor Company selects Rate A, and Rate B therefore is to apply to such purchases, Company, at Seller's cost, will install, own and operate a non-time-differentiated meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system. Such meter will be tested at intervals prescribed by Commission Regulation, with Seller having a right to witness all such tests; and Seller will pay to Company its fixed cost on such meter and equipment, expense of such periodic tests of the meter and any other expenses (all such costs and expenses, together, being hereafter called "costs of non-time-differentiated metering").

If either Seller or Company selects Rate A to apply to Company's said purchases of energy from Seller, the party (Seller or Company) so selecting Rate A shall pay (a) the cost of a time-differentiated recording meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system, required for the application of Rate A, in excess of (b) the costs of non-time-differentiated metering which shall continue to be paid by Seller.

In addition to metering referred to above, Company at its option and cost may install, own and operate, on Seller's generator, a recording meter to record the capacity, energy and reactive output of such generator at specified time intervals.

Company shall have access to all such meters at reasonable times during Seller's normal business hours, and shall regularly provide to Seller copies of all information provided by such meters.

DUE DATE OF BILL

Any payment due from Company to Seller will be due within 15 days from date of Company's reading of meter, provided, however, that, if Seller is a customer of Company, in lieu of such payment Company may offset its payment due to Seller hereunder, against Seller's next bill and payment due to Company for Company's service to Seller as customer.

PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

SPPC-1

Small Power Production and Cogeneration Purchase Schedule (Continued)

1. Prior to installation in Seller's system of any generator and associated facilities which are intended to be interconnected and operated in parallel with Company's system, or prior to the inter-connection to Company's system of any such generator and associated facilities already installed in Seller's system, Seller will provide to Company plans for such generator and facilities. Company may, but shall have no obligation to, examine such plans and disapprove them in whole or in part, to the extent Company believes that such plans and proposed facilities will not adequately assure the safety of Company's facilities or system. Seller acknowledges and agrees that the sole purpose of any Company examination of such plans is the satisfaction of Company's interest in the safety of Company's own facilities and system, and that Company shall have no responsibility of any kind to Seller or to any other party in connection with any such examination. If Seller thereafter proposes any change from such plans submitted to Company, prior to the implementation thereof Seller will provide to Company new plans setting out such proposed change(s).
2. Seller will own, install, operate and maintain all generating facilities on its plant site, such facilities to include, but not be limited to, (a) protective equipment between the systems of Seller and Company and (b) necessary control equipment to synchronize frequency and voltage between such two systems. Seller's voltage at the point of interconnection will be the same as Company's system voltage. Suitable circuit breakers or similar equipment, as furnished by Seller at a location designated by Company, to enable the separation or disconnection of the two electrical systems. Except in emergencies, the circuit breakers, or similar equipment, will be operated only by, or at the express direction of, Company personnel and will be accessible to Company at all times. In addition, a circuit breaker or similar equipment shall be furnished and installed by Seller to separate or disconnect Seller's generator.
3. Seller will be responsible for operating the generator and all facilities owned by Seller, except as hereafter specified. Seller will maintain its system in synchronization with Company's system.
4. Seller will (a) pay Company for all damage to Company's equipment, facilities or system, and (b) save and hold Company harmless from all claims, demands and liabilities of every kind and nature for injury or damage to, or death of, persons and/or property of others, including costs and expenses of defending against the same, arising in any manner in connection with Seller's generator, equipment, facilities or system or the operation thereof.
5. Seller will construct any additional facilities, in addition to generating and associated (interface) facilities, required for interconnection unless Company and Seller agree to Company's constructing such facilities, at Seller's expense, where Seller is not a customer of Company. When Seller is a customer of Company and Company is required to construct facilities different than otherwise required to permit interconnection, Seller shall pay such additional cost of facilities. Seller agrees to reimburse Company, at the time of installation, or, if agreed to by both parties, over a period of up to three years, for any facilities including any hereafter required (but exclusive of metering equipment, elsewhere herein provided for) constructed by Company to permit Seller to operate interconnection with Company's system. When interconnection costs are repaid over a period of time, such payments will be made monthly and include interest on the unpaid balance at the percentage rate equal to the capital costs that the Company would experience at such time by new financing, based on Company's then existing capital structure, with return on equity to be at the rate allowed in Company's immediately preceding rate case.

Date of Issue: March 18, 1999

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: April 17, 1999
Revised: February 21, 2000

SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

1. Prior to installation in Seller's system of any generator and associated facilities which are intended to be interconnected and operated in parallel with Company's system, or prior to the inter-connection to Company's system of any such generator and associated facilities already installed in Seller's system, Seller will provide to Company plans for such generator and facilities. Company may, but shall have no obligation to, examine such plans and disapprove them in whole or in part, to the extent Company believes that such plans and proposed facilities will not adequately assure the safety of Company's facilities or system. Seller acknowledges and agrees that the sole purpose of any Company examination of such plans is the satisfaction of Company's interest in the safety of Company's own facilities and system, and that Company shall have no responsibility of any kind to Seller or to any other party in connection with any such examination. If Seller thereafter proposes any change from such plans submitted to Company, prior to the implementation thereof Seller will provide to Company new plans setting out such proposed change(s).
 2. Seller will own, install, operate and maintain all generating facilities on its plant site, such facilities to include, but not be limited to, (a) protective equipment between the systems of Seller and Company and (b) necessary control equipment to synchronize frequency and voltage between such two systems. Seller's voltage at the point of interconnection will be the same as Company's system voltage. Suitable circuit breakers or similar equipment, as specified by Company, will be furnished by Seller at a location designated by Company to enable the separation or disconnection of the two electrical systems. Except in emergencies, the circuit breakers, or similar equipment, will be operated only by, or at the express direction of, Company personnel and will be accessible to Company at all times. In addition, a circuit breaker or similar equipment shall be furnished and installed by Seller to separate or disconnect Seller's generator.
 3. Seller will be responsible for operating the generator and all facilities owned by Seller, except as hereafter specified. Seller will maintain its system in synchronization with Company's system.
 4. Seller will (a) pay Company for all damage to Company's equipment, facilities or system, and (b) save and hold Company harmless from all claims, demands and liabilities of every kind and nature for injury or damage to, or death of, persons and/or property of others, including costs and expenses of defending against the same, arising in any manner in connection with Seller's generator, equipment, facilities or system or the operation thereof.
- Seller will construct any additional facilities, in addition to generating and associated (interface) facilities, required for interconnection unless Company and Seller agree to Company's constructing such facilities, at Seller's expense, where Seller is not a customer of Company. When Seller is a customer of Company and Company is required to construct facilities different than otherwise required to permit interconnection, Seller shall pay such additional cost of facilities. Seller agrees to reimburse Company, at the time of installation, or, if agreed to by both parties, over a period of up to three years, for any facilities including any hereafter required (but exclusive of metering equipment, elsewhere herein provided for) constructed by Company to permit Seller to operate interconnection with Company's system. When interconnection costs are repaid over a period of time, such payments will be made monthly and include interest on the unpaid balance at the percentage rate equal to the capital costs that the Company would experience at such time by new financing, based on Company's then existing capital structure, with return on equity to be at the rate allowed in Company's immediately preceding rate case.

Date of Issue: December 29, 2003

Issued By

Michael S. Bear, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

SPPC-1

Small Power Production and Cogeneration Purchase Schedule (Continued)

6. Company will have the continuing right to inspect and approve Seller's facilities, described herein, and to request and witness any tests necessary to determine that such facilities are installed and operating properly; but Company will have no obligation to inspect or approve facilities, or to request or witness tests; and Company will not in any manner be responsible for Seller's facilities or any operation thereof.
7. Seller assumes all responsibility for the electric service upon Seller's premises at and from the point of any delivery or flow of electricity from Company, and for the wires and equipment used in connection therewith; and Seller will protect and save Company harmless from all claims for injury or damage to persons or property, including but not limited to property of Seller, occurring on or about Seller's premises or at and from the point of delivery or flow of electricity from Company, occasioned by such electricity or said wires and equipment, except where said injury or damage is proved to have been caused solely by the negligence of Company.
8. Each, Seller and Company, will designate one or more Operating Representatives for the purpose of contacts and communications between the parties concerning operations of the two systems.
9. Seller will notify Company's Energy Control Center at Dix Dam prior to each occasion of Seller's generator being brought into or (except in cases of emergencies) taken out of operation.
10. Company reserves the right to curtail a purchase from Seller when:
 - (a) the purchase will result in costs to Company greater than would occur if the purchase were not made but instead Company, itself, generated an equivalent amount of energy; or
 - (b) Company has a system emergency and purchases would (or could) contribute to such emergency.

Rules and Regulations:

Except as provided herein, conditions or operations will be as provided in Company's Rules and Regulations or Terms and Conditions.

Date of Issue: November 1, 1995

Issued By

Date Effective: November 1, 1995
Revised February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 10/30/95 in Case No. 95-239

SCF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

6. Company will have the continuing right to inspect and approve Seller's facilities, described herein, and to request and witness any tests necessary to determine that such facilities are installed and operating properly; but Company will have no obligation to inspect or approve facilities, or to request or witness tests; and Company will not in any manner be responsible for Seller's facilities or any operation thereof.
7. Seller assumes all responsibility for the electric service upon Seller's premises at and from the point of any delivery or flow of electricity from Company, and for the wires and equipment used in connection therewith; and Seller will protect and save Company harmless from all claims for injury or damage to persons or property, including but not limited to property of Seller, occurring on or about Seller's premises or at and from the point of delivery or flow of electricity from Company, occasioned by such electricity or said wires and equipment, except where said injury or damage is proved to have been caused solely by the negligence of Company.
8. Each, Seller and Company, will designate one or more Operating Representatives for the purpose of contacts and communications between the parties concerning operations of the two systems.
9. Seller will notify Company's Energy Control Center at Dix Dam prior to each occasion of Seller's generator being brought into or (except in cases of emergencies) taken out of operation.
10. Company reserves the right to curtail a purchase from Seller when:
 - (a) the purchase will result in costs to Company greater than would occur if the purchase were not made but instead Company, itself, generated an equivalent amount of energy; or
 - (b) Company has a system emergency and purchases would (or could) contribute to such emergency.

Seller will be notified of each curtailment.

TERMS AND CONDITIONS

Except as provided herein, conditions or operations will be as provided in Company's Terms and Conditions

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

SPPC-II

Small Power Production and Cogeneration Purchase Schedule (Continued)

APPLICABLE

In all territory served.

AVAILABILITY

Available to any small power production or cogeneration "qualifying facility" with capacity over 100 Kw as defined by the Kentucky Public Service Commission Regulation 807 KAR 5.054, and which contracts to sell energy or capacity or both to the Company.

RATES FOR PURCHASES FROM QUALIFYING FACILITIES

ENERGY COMPONENT PAYMENTS

The hourly avoided energy cost (AEC) in \$ per MWh, which is payable to a QF for delivery of energy, shall be equal to the Company's actual variable fuel expenses, for Company-owned coal and natural gas-fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to $[AEC \times E_{gr}]$, where E_{gr} is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering.

CAPACITY COMPONENT PAYMENTS

The hourly avoided capacity cost (ACC) in \$ per MWh, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to the Company from the inter-utility market (which includes both energy and capacity charges) less the Company's actual variable fuel expense (AEC). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to $[ACC \times CAP]$, where CAP, the capacity delivered by the QF, is determined on the basis of the system demand (D) and the Company's need for capacity in that hour to adequately serve the load.

DETERMINATION OF CAP,

For the following determination of CAP, $C_{i,CAF}$ represents the Company's installed or previously arranged capacity at the time a QF signs a contract to deliver capacity, C_{CF} represents the actual capacity provided by a QF, but no more than the contracted capacity, and C_m represents capacity purchased from the inter-utility market.

Date of Issue: November 1, 1995

Issued By

Date Effective: November 1, 1995
Revised February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 10/20/95 in Case No. 95-239

LQF

Large Capacity Cogeneration and Small Power Production Qualifying Facilities

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to any small power production or cogeneration "qualifying facility" with capacity over 100 KW as defined by the Kentucky Public Service Commission Regulation 807 KAR 5.054, and which contracts to sell energy or capacity or both to the Company.

RATES FOR PURCHASES FROM QUALIFYING FACILITIES

ENERGY COMPONENT PAYMENTS

The hourly avoided energy cost (AEC) in \$ per MWh, which is payable to a QF for delivery of energy, shall be equal to the Company's actual variable fuel expenses, for Company-owned coal and natural gas-fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to $[AEC \times E_{gr}]$, where E_{gr} is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering.

CAPACITY COMPONENT PAYMENTS

The hourly avoided capacity cost (ACC) in \$ per MWh, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to the Company from the inter-utility market (which includes both energy and capacity charges) less the Company's actual variable fuel expense (AEC). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to $[ACC \times CAP]$, where CAP, the capacity delivered by the QF, is determined on the basis of the system demand (D) and the Company's need for capacity in that hour to adequately serve the load.

DETERMINATION OF CAP,

For the following determination of CAP, $C_{i,CAF}$ represents the Company's installed or previously arranged capacity at the time a QF signs a contract to deliver capacity, C_{CF} represents the actual capacity provided by a QF, but no more than the contracted capacity, and C_m represents capacity purchased from the inter-utility market.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

SPPC-II

Small Power Production and Cogeneration Purchase Schedule (Continued)

1. System demand is less than or equal to the Company's capacity:
 $D_1 \leq C_{LGAE}$; $CAP_1 = 0$
2. System demand is greater than the Company's capacity but less than or equal to the total of the Company's capacity and the capacity provided by a QF:
 $C_{LGAE} < D_1 \leq [C_{LGAE} + C_{QF}]$; $CAP_1 = C_M$
3. System demand is greater than the total of the Company's capacity and the capacity provided by a QF:
 $D_1 > [C_{LGAE} + C_{QF}]$; $CAP_1 = C_{QF}$

PAYMENT

The Company shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within 15 days of the date the bill is rendered. In lieu of such payment plan, the Company will, upon written request, credit the Customer's account for such purchases.

TERM OF CONTRACT

For contracts which cover the purchase of energy only, the term shall be one year, and shall be self-renewing from year-to-year thereafter, unless cancelled by either party on one year's written notice.
For contracts which cover the purchase of capacity and energy, the term shall be 5 years.

TERMS AND CONDITIONS

1. Qualifying facilities shall be required to pay for any additional interconnection costs, to the extent that such costs are in excess of those that the Company would have incurred if the qualifying facility's output had not been purchased.
2. A qualifying facility operating in parallel with the Company must demonstrate that its equipment is designed, installed, and operated in a manner that insures safe and reliable interconnection operation. A qualifying facility should contact the Company for assistance in this regard.
3. The purchasing, supplying and billing for service, and all conditions applying hereto, shall be specified in the contract executed by the parties, and are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Service Regulations currently in effect, as filed with the Commission.

Date of Issue: November 1, 1995

Issued By

Date Effective: November 1, 1995
Revised February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 10/30/95 in Case No. 95-239

LQF

Large Capacity Cogeneration and Small Power Production Qualifying Facilities

1. System demand is less than or equal to the Company's capacity:
 $D_1 \leq C_{LGAE}$; $CAP_1 = 0$
2. System demand is greater than the Company's capacity but less than or equal to the total of the Company's capacity and the capacity provided by a QF:
 $C_{LGAE} < D_1 \leq [C_{LGAE} + C_{QF}]$; $CAP_1 = C_M$
3. System demand is greater than the total of the Company's capacity and the capacity provided by a QF:
 $D_1 > [C_{LGAE} + C_{QF}]$; $CAP_1 = C_{QF}$

PAYMENT

The Company shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within 15 days of the date the bill is rendered. In lieu of such payment plan, the Company will, upon written request, credit the Customer's account for such purchases.

TERM OF CONTRACT

For contracts which cover the purchase of energy only, the term shall be one year, and shall be self-renewing from year-to-year thereafter, unless cancelled by either party on one year's written notice.
For contracts which cover the purchase of capacity and energy, the term shall be 5 years.

TERMS AND CONDITIONS

1. Qualifying facilities shall be required to pay for any additional interconnection costs, to the extent that such costs are in excess of those that the Company would have incurred if the qualifying facility's output had not been purchased.
2. A qualifying facility operating in parallel with the Company must demonstrate that its equipment is designed, installed, and operated in a manner that insures safe and reliable interconnection operation. A qualifying facility should contact the Company for assistance in this regard.
3. The purchasing, supplying and billing for service, and all conditions applying hereto, shall be specified in the contract executed by the parties, and are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Terms and Conditions currently in effect, as filed with the Commission.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

CTAC
Cable Television Attachment Charges

APPLICABLE
In all territory served.

AVAILABILITY

Available to any established and properly franchised operator of a cable television system (herein called Customer) who applies for the right to make cable attachments to Company's poles in accordance with the terms and conditions herein set forth. Any entitlement acquired by a Customer here- under shall not be exclusive and shall be subject to existing rights and privileges acquired by other public utilities or entities making lawful use of Company's poles.

APPLICABILITY OF PSC OF KY. ORDER (CASE NO. 251)

This rate schedule is issued pursuant to an Order of the Public Service Commission of Kentucky dated September 17, 1982, in Administrative Case No. 251 (hereinafter called "Order 251"), and an Order in Administrative Case No. 251-26, dated May 31, 1983. Order 251 specifies, inter alia, the formula to be used in arriving at the charges to be made for the service provided herein. Company shall have the right to file with the Commission revisions of this rate schedule, including revisions of the charges for service, any such filing to be made in accordance with law and the rules of the Commission.

ATTACHMENT CHARGES

For each attachment to a pole on which three parties have attachments

38 cents per month

For each attachment to a pole on which two parties have attachments

53 cents per month

PAYMENT OF CHARGES

Charges will be billed monthly. Charges applicable to attachments made or reserved during any calendar month will be billed for the full month and will not be prorated for portions of a month. Likewise, any attachments

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Issued By

Date Effective: January 1, 1991
Revised: February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 12/21/99 in Case No. 90-155

CTAC
Cable Television Attachment Charges

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

Available to any established and properly franchised operator of a cable television system (herein called Customer) who applies for the right to make cable attachments to Company's poles in accordance with the terms and conditions herein set forth. Any entitlement acquired by a Customer here- under shall not be exclusive and shall be subject to existing rights and privileges acquired by other public utilities or entities making lawful use of Company's poles.

APPLICABILITY OF PSC OF KY. ORDER (CASE NO. 251)

This rate schedule is issued pursuant to an Order of the Public Service Commission of Kentucky dated September 17, 1982, in Administrative Case No. 251 (hereinafter called "Order 251"), and an Order in Administrative Case No. 251-26, dated May 31, 1983. Order 251 specifies, inter alia, the formula to be used in arriving at the charges to be made for the service provided herein. Company shall have the right to file with the Commission revisions of this rate schedule, including revisions of the charges for service, any such filing to be made in accordance with law and the rules of the Commission.

ATTACHMENT CHARGES

For each attachment to a pole on which three parties have attachments

38 cents per month

For each attachment to a pole on which two parties have attachments

53 cents per month

PAYMENT OF CHARGES

Charges will be billed monthly. Charges applicable to attachments made or reserved during any calendar month will be billed for the full month and will not be prorated for portions of a month. Likewise, any attachments removed during any month will be credited for the full month in which such removal occurred. All payments will be due within thirty days from date of bill.

PENALTY FOR UNAUTHORIZED ATTACHMENTS

If and when Company determines that Customer has made attachments to Company's poles without prior authorization, Company will make a charge of twice the charge otherwise payable, for the period from the date of such attachment to the billing date. If make-ready costs are involved in connection with such unauthorized attachments, Company will bill such make-ready charges at twice the amount otherwise payable.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

CTAC

Cable Television Attachment Charges (Continued)

removed during any month will be credited for the full month in which such removal occurred. All payments will be due within thirty days from date of bill.

PENALTY FOR UNAUTHORIZED ATTACHMENTS

If and when Company determines that Customer has made attachments to Company's poles without prior authorization, Company will make a charge of twice the charge otherwise payable, for the period from the date of such attachment to the billing date. If make-ready costs are involved in connection with such unauthorized attachments, Company will bill such make-ready charges at twice the amount otherwise payable.

TERMS AND CONDITIONS

1. Customer shall secure any right, license or permit from any governmental body, authority or other person or persons which may be required for the construction or maintenance of its facilities. Nothing herein shall be deemed or construed to constitute a grant of any easement, right-of-way, or franchise by Company or any other party. Company does not warrant that any of its easements, rights-of-way, or franchises provide for the construction and maintenance of Customer's facilities. Customer shall erect, construct, attach and maintain its facilities solely at its risk and Company, by the granting of rights and privileges hereunder, does not assume any obligation or liability for the adequacy of Customer's easements, rights-of-way or franchises. Customer shall indemnify and save harmless Company from any and all claims, including the expenses incurred by Company to defend itself against such claims, resulting from or arising out of the failure of Customer to secure such right, license, permit or easement for the construction or maintenance of said facilities.

2. If Customer has not already done so prior to the effective date of this rate schedule, Customer shall furnish to Company, in a form suitable to Company, four copies of a map of the appropriate county in Kentucky or portion thereof upon which Customer shall indicate the general area in which it plans to install or has already installed cable television facilities. Such map shall be revised from time to time by Customer and furnished in the same number of copies to Company before Customer extends its system into additional areas within Company's service area.

3. Customer shall make written application for permission to install attachments on any pole of Company, specifying the location of each pole, the character of its proposed attachments and the amount and location of space desired. As soon thereafter as practicable, Company shall notify Customer in writing whether or not it is willing to permit an attachment to such pole "as is" or whether the Customer and Company shall determine by mutual agreement after a "walk through" (or other mutually agreeable method) by representatives of both parties the reasonable cost for make-ready adjustments or other appropriate work on poles (including replacement). All rights granted to Customer under this rate schedule shall be subject to the prior rights of the South Central Bell Telephone Company, and any other prior licensees, their successors or assigns.

CTAC

Cable Television Attachment Charges

TERMS AND CONDITIONS

1. Customer shall secure any right, license or permit from any governmental body, authority or other person or persons which may be required for the construction or maintenance of its facilities. Nothing herein shall be deemed or construed to constitute a grant of any easement, right-of-way, or franchise by Company or any other party. Company does not warrant that any of its easements, rights-of-way, or franchises provide for the construction and maintenance of Customer's facilities. Customer shall erect, construct, attach and maintain its facilities solely at its risk and Company, by the granting of rights and privileges hereunder, does not assume any obligation or liability for the adequacy of Customer's easements, rights-of-way or franchises. Customer shall indemnify and save harmless Company from any and all claims, including the expenses incurred by Company to defend itself against such claims, resulting from or arising out of the failure of Customer to secure such right, license, permit or easement for the construction or maintenance of said facilities.

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3. Customer shall make written application for permission to install attachments on any pole of Company, specifying the location of each pole, the character of its proposed attachments and the amount and location of space desired. As soon thereafter as practicable, Company shall notify Customer in writing whether or not it is willing to permit an attachment to such pole "as is" or whether the Customer and Company shall determine by mutual agreement after a "walk through" (or other mutually agreeable method) by representatives of both parties the reasonable cost for make-ready adjustments or other appropriate work on poles (including replacement). All rights granted to Customer under this rate schedule shall be subject to the prior rights of the South Central Bell Telephone Company, and any other prior licensees, their successors or assigns.

4. All attachments are to be placed on poles of Company in a manner satisfactory to Company and so as not to interfere with the present or any future use which Company may desire to make of said poles or attachments thereto. Company will furnish Customer with a drawing showing the general arrangement and location of Customer's attachments that is satisfactory to the Company. All attachments shall be installed and at all times maintained by Customer so as to comply at least with the minimum requirements of the National Electric Safety Code, regulations of the Kentucky Public Service Commission and any other applicable regulations or codes promulgated by state, local or other governmental authority having jurisdiction. Customer shall take any necessary precautions, by the installation of protective equipment or other means, to protect all persons and property on all kinds against injury or damage occurring by reason of Customer's attachments on Company's poles. Customer shall install, maintain and remove its equipment in such manner, and employ such methods and procedures, as to make it unnecessary for Company to de-energize any of its electric lines or facilities, and Company shall have no obligation to so de-energize its facilities for the present or future use of its poles and equipment and of any interference therewith.

CTAC

Cable Television Attachment Charges (Continued)

by mutual agreement after a "walk through" (or other mutually agreeable method) by representatives of both parties the reasonable cost for make-ready adjustments or other appropriate work on poles (including replacement). All rights granted to Customer under this rate schedule shall be subject to the prior rights of the South Central Bell Telephone Company, and any other prior licensees, their successors or assigns.

4. All attachments are to be placed on poles of Company in a manner satisfactory to Company and so as not to interfere with the present or any future use which Company may desire to make of said poles or attachments thereto. Company will furnish Customer with a drawing showing the general arrangement and location of Customer's attachments that is satisfactory to the Company. All attachments shall be installed and at all times maintained by Customer so as to comply at least with the minimum requirements of the National Electric Safety Code, regulations of the Kentucky Public Service Commission and any other applicable regulations or codes promulgated by state, local or other governmental authority having jurisdiction. Customer shall take any necessary precautions, by the installation of protective equipment or other means, to protect all persons and property of all kinds against injury or damage occurring by reason of Customer's attachments on Company's poles. Customer shall install, maintain and remove its equipment in such manner, and employ such methods and procedures, as to make it unnecessary for Company to de-energize any of its electric lines or facilities, and Company shall have no obligation to so de-energize its facilities for the present or future use of its poles and equipment and of any interference therewith.

5. In any case where Company deems it necessary to install a new pole to accommodate Customer's attachments and the new pole is to be taller or stronger than considered by Company to be necessary to accommodate the attachments of Company and of its other licensees, the "make-ready" cost of such extra height or strength shall be paid to Company by Customer. Such cost shall be a sum equal to the Company's estimate of the difference between the cost in place of the new pole and the current cost in place of a pole considered by Company to be adequate for the attachments of Company and of its licensees. The aforesaid payment shall be made whether the new pole is an initial installation or replacement of an existing pole. The new pole shall be the property of Company regardless of any payments by Customer toward its cost and Customer shall acquire no right, title or interest in and to such pole.

6. Where a new pole is erected hereunder (including the replacement of an existing pole) solely to adequately provide for the attachments Customer proposes to place on the new pole, Customer shall pay Company a sum equal to the actual cost of the

CTAC

Cable Television Attachment Charges

5. In any case where Company deems it necessary to install a new pole to accommodate Customer's attachments and the new pole is to be taller or stronger than considered by Company to be necessary to accommodate the attachments of Company and of its other licensees, the "make-ready" cost of such extra height or strength shall be paid to Company by Customer. Such cost shall be a sum equal to the Company's estimate of the difference between the cost in place of the new pole and the current cost in place of a pole considered by Company to be adequate for the attachments of Company and of its licensees. The aforesaid payment shall be made whether the new pole is an initial installation or replacement of an existing pole. The new pole shall be the property of Company regardless of any payments by Customer toward its cost and Customer shall acquire no right, title or interest in and to such pole.

6. Where a new pole is erected hereunder (including the replacement of an existing pole) solely to adequately provide for the attachments Customer proposes to place on the new pole, Customer shall pay Company a sum equal to the actual cost of the new pole in place, plus the cost of removal of the existing pole, if any, minus the salvage value of the removed pole. Customer shall also pay to the Company and the respective existing licensees the cost of removing all attachments from the pole and reestablishing the same or like attachments on the newly installed pole, with appropriate salvage credit allowance for any attachments which are not reused in such replacement, and the cost of installing any new or additional attachments required solely because of the erection of such new pole. The new pole shall be the property of Company regardless of any payments by Customer toward its cost and Customer shall acquire no right, title or interest in and to such pole.

7. Prior to any strand construction or attachment, Customer shall install appropriate guys and anchors of a type approved by Company in those instances when proper construction requires the same. Customer shall obtain appropriate easements or rights-of-way from appropriate property owners for such equipment and for any other facilities of Customer.

8. If Customer's desired attachments can be accommodated on existing poles of Company by rearrangement of facilities of Company and of other licensees thereon and should it be necessary for Company to rearrange its facilities on existing poles of others in order to accommodate Customer's desired attachments, such rearrangement shall be made and Customer shall, on demand, reimburse Company for any expense incurred by it in transferring or rearranging said facilities. Any additional guying required by reason of such rearrangements shall be provided by or at the expense of Customer and to the satisfaction of Company.

9. Customer will obtain and maintain at all times during the use of Company's poles hereunder policies of insurance or a bond at Customer's option (with waiver of subrogation endorsement and contractual rider) with Company named as an additional primary insured as follows:

Date of Issue: August 31, 1983

Issued By

Date Effective: September 20, 1983
Revised: February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 5/31/83 in Case No. 251-26

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

CTAC

Cable Television Attachment Charges (Continued)

the new pole in place, plus the cost of removal of the existing pole, if any, minus the salvage value of the removed pole. Customer shall also pay to the Company and the respective existing licensees the cost of removing all attachments from the pole and reestablishing the same or like attachments on the newly installed pole, with appropriate salvage credit allowance for any attachments which are not reused in such replacement, and the cost of installing any new or additional attachments required solely because of the erection of such new pole. The new pole shall be the property of Company regardless of any payments by Customer toward its cost and Customer shall acquire no right, title or interest in and to such pole.

7. Prior to any strand construction or attachment, Customer shall install appropriate guys and anchors of a type approved by Company in those instances when proper construction requires the same. Customer shall obtain appropriate easements or rights-of-way from appropriate property owners for such equipment and for any other facilities of Customer.

8. If Customer's desired attachments can be accommodated on existing poles of Company by rearrangement of facilities of Company and of other licensees thereon and should it be necessary for Company to rearrange its facilities on existing poles of others in order to accommodate Customer's desired attachments, such rearrangement shall be made and Customer shall, on demand, reimburse Company for any expense incurred by it in transferring or rearranging said facilities. Any additional guying required by reason of such rearrangements shall be provided by or at the expense of Customer and to the satisfaction of Company.

9. Customer will obtain and maintain at all times during the use of Company's poles hereunder policies of insurance or a bond at Customer's option (with waiver of subrogation endorsement and contractual rider) with Company named as an additional primary insured as follows:

- (a) Public liability insurance or a bond in an amount not less than \$300,000 for any one occurrence.
- (b) Property damage liability insurance or a bond in an amount not less than \$100,000 for any one occurrence.
- (c) In addition, Customer shall carry catastrophe or excess liability insurance or a bond covering the foregoing perils in an amount not less than \$5,000,000 for any one occurrence.

Date of Issue: August 31, 1983

Issued By

Date Effective: September 20, 1983
Revised: February 21, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 5/31/83 in Case No. 251-26

CTAC

Cable Television Attachment Charges

- (a) Public liability insurance or a bond in an amount not less than \$300,000 for any one occurrence.
- (b) Property damage liability insurance or a bond in an amount not less than \$100,000 for any one occurrence.
- (c) In addition, Customer shall carry catastrophe or excess liability insurance or a bond covering the foregoing perils in an amount not less than \$5,000,000 for any one occurrence.
- (d) Each such policy or a bond shall contain a contractual rider covering liability assumed by the Customer under the indemnity agreement set forth immediately below.

Whether or not a policy of insurance or a bond is in effect, Customer will indemnify, hold harmless, and defend Company from and against any and all actions or causes of actions, claims, demands, liabilities, loss, damage or expense of whatever kind and nature, including payments made under any workmen's compensation law or under any plan for employees' disability and death benefits, and attorneys' fees, which Company may suffer or incur by reason of bodily injury, including death, to any person or persons, or by reason of damage to or destruction of any property, including the loss of use thereof, arising out of or in any manner connected with the facilities of Customer to be installed hereunder including, but not limited to, the installation, maintenance, operation or removal thereof, or at any other time, or which Company may sustain or incur in connection with any litigation, investigation, or other expenditures incident thereto, including any suit instituted to enforce the obligation of this agreement of indemnity, due in whole or in part to any act, omission, or negligence of Customer or joint fault of Company and Customer and their representatives, employees or contractors (except insofar as such indemnity arising out of any acts or omissions of such representatives or employees may be found to be contrary to law, in which case this provision for indemnity shall in all other respects be and remain effective and binding). The amount of such indemnity shall be covered under the insurance policy or bond and shall not be less than the limits set forth in items (a), (b) and (c) above. Before Customer shall become entitled to any rights under this rate schedule and prior to making attachments to Company's poles, Customer shall furnish to Company a copy of each of its aforesaid insurance policies, or bond, from an insurance carrier(s) acceptable to Company, and a certificate(s) from said carrier(s) or bonding company stating that policies of insurance have been issued by it to Customer providing for the insurance or bond coverage listed above and that such policies are in force. Such certificate shall state that the insurance carrier or bonding company will give Company fifteen days' prior written notice of any cancellation of or material change in such policies. The certificate shall also quote in full the agreements of indemnity set forth herein and in Paragraphs 4, 18 and 21 of this "Terms and Conditions" section as evidence of the type of contractual liability coverage furnished. If such certificate recites that it is subject to any exceptions contained in the policy or policies of insurance, such exceptions shall be stated in full in said certificate and Company may, at its discretion, require Customer before starting work to obtain policies of insurance which are not subject to any exceptions which Company finds objectionable.

10. Under no circumstances shall Customer, its employees or contractors or subcontractors, disturb, tamper with or contact any of Company's equipment, other than poles. Extra precautions shall be taken to avoid contact with Company's lines, wires and transformers, whether or not they appear to be energized.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

CTAC

Cable Television Attachment Charges (Continued)

- (d) Each such policy or a bond shall contain a contractual rider covering liability assumed by the Customer under the indemnity agreement set forth immediately below.

Whether or not a policy of insurance or a bond is in effect, Customer will indemnify, hold harmless, and defend Company from and against any and all actions or causes of actions, claims, demands, liabilities, loss, damage or expense of whatever kind and nature, including payments made under any workmen's compensation law or under any plan for employees' disability and death benefits, and attorneys' fees, which Company may suffer or incur by reason of bodily injury, including death, to any person or persons, or by reason of damage to or destruction of any property, including the loss of use thereof, arising out of or in any manner connected with the facilities of Customer to be installed hereunder including, but not limited to, the installation, maintenance, operation or removal thereof, or at any other time, or which Company may sustain or incur in connection with any litigation, investigation, or other expenditures incident thereto, including any suit instituted to enforce the obligation of this agreement of indemnity, due in whole or in part to any act, omission, or negligence of Customer or joint fault of Company and Customer and their representatives, employees or contractors (except insofar as such indemnity arising out of any acts or omissions of such representatives or employees may be found to be contrary to law, in which case this provision for indemnity shall be all other respects be and remain effective and binding). The amount of such indemnity shall be covered under the insurance policy or bond and shall not be less than the limits set forth in items (a), (b) and (c) above. Before Customer shall become entitled to any rights under this rate schedule and prior to making attachments to Company's poles, Customer shall furnish to Company a copy of each of its aforesaid insurance policies, or bond, from an insurance carrier(s) acceptable to Company, and a certificate(s) from said carrier(s) or bonding company stating that policies of insurance have been issued by it to Customer providing for the insurance or bond coverage listed above and that such policies are in force. Such certificate shall state that the insurance carrier or bonding company will give Company fifteen days' prior written notice of any cancellation or material change in such policies. The certificate shall also quote in full the agreements of indemnity set forth herein and in Paragraphs 4, 18 and 21 of this "Terms and Conditions" section as evidence of the type of contractual liability coverage furnished, if such certificate recites that it is subject to any exceptions contained in the policy or policies of insurance, such exceptions shall be stated in full in said certificate and Company may, at its discretion, require Customer before starting work to obtain policies of insurance which are not subject to any exceptions which Company finds objectionable.

Date of Issue: August 31, 1983

Date Effective: September 20, 1983
Revised: February 21, 2000

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 531/83 in Case No. 251-26

CTAC

Cable Television Attachment Charges

- 11. Company reserves the right to, but shall not be obligated to, inspect each new installation of Customer on its poles or on poles other to which its facilities are attached and to make periodic inspections, semi-annually or more often as conditions may warrant. Company's right to make such inspections and any inspection made pursuant to such right shall not relieve Customer of any responsibility, obligation or liability assumed under this rate schedule.
- 12. If the Company finds substandard installations by the Customer, the Company may give to Customer a period of time, not to exceed ten days, to make such adjustments at its own expense, or Company, at its option, may make said corrections and charge the Customer the cost of correcting such installations.
- 13. In the event that the Company finds it necessary or appropriate to change its poles or attachments for reasons unrelated to Customer's operations, the Customer shall be given notice of the change (e.g., relocation to another pole) and the Customer shall make the necessary adjustment at its expense within 30 days. If Customer fails to make said adjustments within the prescribed time, Company may make said changes, notwithstanding the presence of Customer's facilities and may, if necessary, separate or otherwise remove Customer's cables or equipment.
- 14. Whenever Company notifies Customer in writing that the attachments of Customer interfere with the operation of equipment of Company or other licensee, or constitute a hazard to the service rendered by Company or other licensee, or fail to comply with the codes or regulations hereinbefore referred to, Customer shall within ten days after the date of such notice remove, rearrange, or change its attachments as directed by Company. In case of emergency, Company reserves the right to remove, separate, or relocate the attachments of Customer at Customer's expense.
- 15. Upon thirty days' written notice to Customer, Company may discontinue the use of, remove, replace or change the location of any or all of its poles or attachments regardless of any occupancy of Company's poles by Customer or Customer shall at its sole cost, within ten days after such notice by Company, make such changes in, remove or transfer its attachments as shall be required by such action of Company.
- 16. Customer may at any time abandon the use of a Company pole by removing therefrom all of its attachments and by giving written notice thereof to Company.
- 17. Unless otherwise mutually agreed, electric service for television amplifiers of Customer shall be supplied from the lines of Company in the manner shown on a standardized sketch, which Company will supply to Customer on request, and shall be served and billed at Company's applicable rate for electric service.

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

CTAC
Cable Television Attachment Charges (Continued)

- 10. Under no circumstances shall Customer, its employees or contractors or subcontractors, disturb, tamper with or contact any of Company's equipment, other than poles. Extra precautions shall be taken to avoid contact with Company's lines, wires and transformers, whether or not they appear to be energized.
- 11. Company reserves the right to, but shall not be obligated to, inspect each new installation of Customer on its poles or on poles other to which its facilities are attached and to make periodic inspections, semi-annually or more often as conditions may warrant. Company's right to make such inspections and any inspection made pursuant to such right shall not relieve Customer of any responsibility, obligation or liability assumed under this rate schedule.
- 12. If the Company finds substandard installations by the Customer, the Company may give to Customer a period of time, not to exceed ten days, to make such adjustments at its own expense, or Company, at its option, may make said corrections and charge the Customer the cost of correcting such installations.
- 13. In the event that the Company finds it necessary or appropriate to change its poles or attachments for reasons unrelated to Customer's operations, the Customer shall be given notice of the change (e.g., relocation to another pole) and the Customer shall make the necessary adjustment at its expense within 30 days. If Customer fails to make said adjustments within the prescribed time, Company may make said changes, notwithstanding the presence of Customer's facilities and may, if necessary, separate or otherwise remove Customer's cables or equipment.
- 14. Whenever Company notifies Customer in writing that the attachments of Customer interfere with the operation of equipment of Company or other licensee, or constitute a hazard to the service rendered by Company or other licensee, or fail to comply with the codes or regulations hereinbefore referred to, Customer shall within ten days after the date of such notice remove, rearrange, or change its attachments as directed by Company. In case of emergency, Company reserves the right to remove, separate, or relocate the attachments of Customer at Customer's expense.
- 15. Upon thirty days' written notice to Customer, Company may discontinue the use of, remove, replace or change the location of any or all of its poles or attachments regardless of any occupancy of Company's poles by Customer or Customer shall at its sole cost, within ten days after such notice by Company, make such changes in, remove or transfer its attachments as shall be required by such action of Company.

Date of Issue: August 31, 1983

Date Effective: September 20, 1983
Revised: February 21, 2000

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 531/83 in Case No. 251-26

CTAC
Cable Television Attachment Charges

- 18. Customer shall release Company from any and all liability for loss of or damage to the facilities of Customer and for any interruption to or failure of the service rendered by Customer with respect to which such facilities are used, unless the loss, damage or interruption was caused by the sole negligence of Company. Customer shall indemnify, hold harmless, and defend Company from and against any and all loss, damage, cost or expense which Company may suffer or for which Company may be held liable because of interference with television reception of said subscribers or others, arising out of or in any manner connected with the attachment, operation, and maintenance of the facilities of Customer on the poles of Company under this rate schedule, unless the loss, damage or interruption was caused by the sole negligence of the Company. In the event that any part of this provision for indemnity is found to be contrary to law, all other parts of this provision for indemnity shall remain effective and binding.
- 19. All costs referred to in Paragraphs 5, 6, 12, 14, 20 and 22 of this "Terms and Conditions" section shall include, in addition to direct costs of material, labor and equipment usage, appropriate allowances for taxes, insurance, fringe benefits and other indirect expenses applicable to labor, stores expense, supervision, engineering, and administrative and general expenses, all to be determined and applied in accordance with Company's standard procedures then in effect and applicable to work it performs for the account of other parties.
- 20. All costs of every kind incurred by Company in the performance of Company's work necessitated by Customer pursuant to the above conditions shall be billed to Customer and paid in full within 30 days of billing date. The term "all costs" shall include, but not be limited to, the expense of protecting and relocating Company's facilities, and repairing damage caused by Customer to Company's facilities, and the costs of having Company's representatives on each site during construction. To determine "all costs," Company shall for each such project of Customer accumulate cost data through Company's normal cost accumulation procedures.
- 21. Customer shall furnish bond, in a form and substance satisfactory to Company, in the amount of One Hundred Thousand Dollars (\$100,000.00) to guarantee the performance of the obligations assumed by Customer under the terms of this rate schedule not otherwise covered by the insurance required by Paragraph 9 above (such as, but not limited to, Customer's removal of its facilities at termination hereof or payment of monies due hereunder). Such bond shall be submitted to Company at the time of Customer's application under this rate schedule and prior to Customer's making attachments to Company's poles. In addition, Company, at its discretion, may require Customer, upon written notice and before the undertaking by Company of any subsequent action for the benefit of the Customer, to advance to Company an amount equal to the estimated costs of any work which Company has been authorized to perform, either by reason of an application of Customer of otherwise, plus any amounts then due Company by Customer, or to furnish additional bond, in lieu thereof, in an equal amount. After two years have passed from the date of the initial issuance of Customer's bond hereunder, if Customer has substantially complied with its obligations hereunder, Customer may apply to Company for a reduction of the penal sum of its bond, for the release of the corporate surety thereon, or for other relief--which application shall not be unreasonably denied, provided that no reduction or

Date of Issue: December 28, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

CTAC

Cable Television Attachment Charges (Continued)

16. Customer may at any time abandon the use of a Company pole by removing therefrom all of its attachments and by giving written notice thereof to Company.
17. Unless otherwise mutually agreed, electric service for television amplifiers of Customer shall be supplied from the lines of Company in the manner shown on a standardized sketch, which Company will supply to Customer on request, and shall be served and billed at Company's applicable rate for electric service.
18. Customer shall release Company from any and all liability for loss of or damage to the facilities of Customer and for any interruption to or failure of the service rendered by Customer with respect to which such facilities are used, unless the loss, damage or interruption was caused by the sole negligence of Company. Customer shall indemnify, hold harmless, and defend Company from and against any and all loss, damage, cost or expense which Company may suffer or for which Company may be held liable because of interference with television reception of said subscribers or others, arising out of or in any manner connected with the attachment, operation, and maintenance of the facilities of Customer on the poles of Company under this rate schedule, unless the loss, damage or interruption was caused by the sole negligence of the Company. In the event that any part of this provision for indemnity is found to be contrary to law, all other parts of this provision for indemnity shall remain effective and binding.
19. All costs referred to in Paragraphs 5, 6, 12, 14, 20 and 22 of this "Terms and Conditions" section shall include, in addition to direct costs of material, labor and equipment usage, appropriate allowances for taxes, insurance, fringe benefits and other indirect expenses applicable to labor, stores expense, supervision, engineering, and administrative and general expenses, all to be determined and applied in accordance with Company's standard procedures then in effect and applicable to work it performs for the account of other parties.
20. All costs of every kind incurred by Company in the performance of Company's work necessitated by Customer pursuant to the above conditions shall be billed to Customer and paid in full within 30 days of billing date. The term "all costs" shall include, but not be limited to, the expense of protecting and relocating Company's facilities, and repairing damage caused by Customer to Company's facilities, and the costs of having Company's representatives on each site during construction. To determine "all costs," Company shall for each such project of Customer accumulate cost data through Company's normal cost accumulation procedures.

Date of Issue: August 31, 1983

Issued By

Date Effective: September 20, 1983
Revised: February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 93/03 in Case No. 251-26

CTAC

Cable Television Attachment Charges

- other concession or indulgence with respect to said bond shall release Customer from any underlying obligations.
22. If Customer fails to comply with any of the provisions of this rate schedule or defaults in the performance of any of its obligations under this rate schedule and fails within thirty days after written notice from Company to correct such defaults or noncompliance, Company may, at its option, forthwith terminate the specific permit or permits covering the poles and Customer's attachments to which such default or noncompliance is applicable and remove or rearrange attachments or facilities of Customer at Customer's expense, or Company may require Customer, upon reasonable notice, to remove some, but not all, of Customer's attachments from Company's poles or Company may give Customer written notice to completely remove all of Customer's attachments from Company's poles within 120 days.
 23. Customer will instruct or cause to be instructed the persons working on line installation, maintenance or otherwise (whether they be its employees or employees of contractors or subcontractors) on Company's facilities so as to familiarize such persons with the requirements of the National Electric Safety Code. Said persons shall observe the requirements of the National Electric Safety Code, and all equipment installed shall comply therewith.
 24. The term "Customer" shall include its employees and agents and its contractors and subcontractors and their employees and agents.
 25. Customer shall not assign, transfer or sublet any of the rights hereby acquired without the prior written consent of Company.
 26. To the extent they are not in conflict with nor inconsistent with the special provisions of this rate schedule, Company's Terms and Conditions, as filed with the Public Service Commission of Kentucky, shall be applicable to the service rendered hereunder.
 27. This rate schedule, and any service rendered pursuant hereto, is subject to Order 251 and to the continuing regulatory jurisdiction of the Public Service Commission of Kentucky.

Date of Issue: December 28, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

CTAC

Cable Television Attachment Charges (Continued)

21. Customer shall furnish bond, in a form and substance satisfactory to Company, in the amount of One Hundred Thousand Dollars (\$100,000.00) to guarantee the performance of the obligations assumed by Customer under the terms of this rate schedule not otherwise covered by the insurance required by Paragraph 9 above (such as, but not limited to, Customer's removal of its facilities at termination hereof or payment of monies due hereunder). Such bond shall be submitted to Company at the time of Customer's application under this rate schedule and prior to Customer's making attachments to Company's poles. In addition, Company, at its discretion, may require Customer, upon written notice and before the undertaking by Company of any subsequent action for the benefit of the Customer, to advance to Company an amount equal to the estimated costs of any work which Company has been authorized to perform, either by reason of an application of Customer of otherwise, plus any amounts then due Company by Customer, or to furnish additional bond, in lieu thereof, in an equal amount. After two years have passed from the date of the initial issuance of Customer's bond hereunder, if Customer has substantially complied with its obligations hereunder, Customer may apply to Company for a reduction of the penal sum of its bond, for the release of the corporate surety thereon, or for other relief--which application shall not be unreasonably denied, provided that no reduction or other concession or indulgence with respect to said bond shall release Customer from any underlying obligations.
22. If Customer fails to comply with any of the provisions of this rate schedule or defaults in the performance of any of its obligations under this rate schedule and fails within thirty days after written notice from Company to correct such defaults or noncompliance, Company may at its option, forthwith terminate the specific permit or permits covering the poles and Customer's attachments to which such default or noncompliance is applicable and remove or rearrange attachments or facilities of Customer at Customer's expense, or Company may require Customer, upon reasonable notice, to remove same, but not all, of Customer's attachments from Company's poles or Company may give Customer written notice to completely remove all of Customer's attachments from Company's poles within 120 days.
23. Customer will instruct or cause to be instructed the persons working on line installation, maintenance or otherwise (whether they be its employees or employees of contractors or subcontractors) on Company's facilities so as to familiarize such persons with the requirements of the National Electric Safety Code. Said persons shall observe the requirements of the National Electric Safety Code, and all equipment installed shall comply therewith.

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CTAC

Cable Television Attachment Charges (Continued)

24. The term "Customer" shall include its employees and agents and its contractors and subcontractors and their employees and agents.
25. Customer shall not assign, transfer or sublet any of the rights hereby acquired without the prior written consent of Company.
26. To the extent they are not in conflict with nor inconsistent with the special provisions of this rate schedule, Company's General Rules and Regulations Governing the Supply of Electric Service, as filed with the Public Service Commission of Kentucky, shall be applicable to the service rendered hereunder.
27. This rate schedule, and any service rendered pursuant hereto, is subject to Order 251 and to the continuing regulatory jurisdiction of the Public Service Commission of Kentucky.

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Louisville Gas and Electric Company

Original Sheet No. 49
P.S.C. of Ky. Electric No. 6

Special Charges

The following charges will be applied uniformly throughout the Company's service territory. Each charge, as approved by the Public Service Commission, reflects only that revenue required to meet associated expenses.

RETURNED PAYMENT CHARGE

In those instances where a Customer renders payment to the Company which is not honored upon deposit by the Company, the Customer will be charged \$7.50 to cover the additional processing costs.

METER TEST CHARGE

Where the test of a meter is performed during normal working hours upon the written request of a Customer, pursuant to 807 KAR 5:006, Section 18, and the results show the meter was not more than two percent fast, the Customer will be charged \$31.40 to cover the test and transportation costs.

DISCONNECTING AND RECONNECTING SERVICE CHARGE

A charge of \$23.00 will be made to cover disconnection and reconnection of electric service when discontinued for non-payment of bills or for violation of the Company's Terms and Conditions, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00. No charge will be made for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.

Residential and general service customers may request and be granted a temporary suspension of electric service. In the event of such temporary suspension, Company will make a charge of \$23.00, to cover disconnection and reconnection of electric service, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00.

CHARGE FOR TEMPORARY AND SHORT TERM SERVICE

The customer shall pay the cost of all material, labor and expense incurred by the Company in supplying electric service for any temporary or short term use. In addition to the regular rates for service without pro-rating of rate blocks or minimum bills for service of less than thirty days in a regular meter reading period.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER **CSR**
Curtable Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

This rider shall be made available to customers served under the applicable power schedules who contract for not less than 1,000 kilowatts of their total requirements to be subject to curtailment upon notification by the Company.

CONTRACT OPTION

Customer may, at Customer's option, contract with Company to curtail service upon notification by the Company. Requests for curtailment shall not exceed five hundred (500) hours per year nor shall any single request for curtailment be for less than thirty (30) minutes or for more than fourteen (14) hours per calendar day, with unlimited requests for curtailment per calendar day within these parameters. Company may request or cancel a curtailment at any time during an hour, but shall give no less than ten (10) minutes notice when either requesting or canceling a curtailment.

Compliance with a request for curtailment shall be measured in one of the following two ways:

- a) The customer shall contract for a given amount of firm demand, and the curtable load shall be the Customer's monthly billing demand in excess of the firm contract. During a request for curtailment, the customer shall reduce its demand to the firm demand designated in the contract. The difference in the maximum demand in the billing month and the maximum demand in any requested curtailment period, but not less than the contracted firm demand, in the billing period shall be the curtable demand on which the monthly credit is based. The demand in excess of the firm load during each requested curtailment in the billing period shall be the measure of non-compliance.
- b) The customer shall contract for a given amount of curtable load by which the customer shall agree to reduce its demand from the monthly maximum demand. During a request for curtailment, the Customer shall reduce its demand to a level equal to the maximum monthly demand less the curtable load designated in the contract. The difference in the maximum demand in the billing month and the maximum demand in any requested curtailment period, but not more than the contracted curtable load, in the billing period shall be the curtable demand on which the monthly credit is based. The difference in contracted curtable load and the actual curtailed load during each requested curtailment in the billing period shall be the measure of non-compliance.
- c) In those months in which the Company does not request load curtailment, the customer will receive a credit based on either the difference in the monthly billing demand and the contracted firm demand, a) above, or the contracted curtable demand, b) above

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 60.1
P.S.C. of Ky. Electric No. 6

N

STANDARD RIDER

CSR

Curtailable Service

RATE

Customer will receive a credit against the applicable power schedule for curtailable KW, as determined in the preceding paragraph, times the applicable credit. Customers will be charged for the portion of each requested curtailment not met at the applicable charge.

Demand Credit of:	Primary	Transmission
Non-Compliance Charge of:	\$ 4.05 per KW	\$ 3.98 per KW
	\$16.00 per KW	\$16.00 per KW

Failure of Customer to curtail when requested to do so may result in termination of service under this rider.

TERM OF CONTRACT

The minimum original contract period shall be one year and thereafter until terminated by giving at least 6 months previous written notice, but Company may require that contract be executed for a longer initial term when deemed necessary by the size of the load or other conditions.

TERMS AND CONDITIONS

Except as specified above, all other provisions of the power rate to which this schedule is a rider shall apply.

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Date of Issue: December 28, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER IFL
Rider for Intermittent and Fluctuating Loads

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

This schedule applies to all loads having a detrimental effect upon the electric service rendered to other Customers of the Company or upon the Company's facilities.

Where Customer's use of service is intermittent, subject to violent or extraordinary fluctuations, or produces unacceptable levels of harmonic current, in each case as determined by the Company, in its reasonable discretion, the Company reserves the right to require Customer to furnish, at Customer's own expense, suitable equipment (as approved by the Company in its reasonable discretion) to meter and limit such intermittence, fluctuation, or harmonics to the extent reasonably requested by the Company. Without limiting the foregoing, the Company may require such equipment if, at any time, the megavars, harmonics and other desirable electrical characteristics produced by the Customer exceed the limits set forth in the IEEE standards for such characteristics. In addition, if the Customer's use of the Company's service under this schedule causes such undesirable electrical characteristics in an amount exceeding those IEEE standards, such use shall be deemed to cause a dangerous condition which could subject any person to imminent harm or result in substantial damage to the property of the Company or others, and the Company shall therefore terminate service to the Customer in accordance with 807 KAR 5:056, Section 14(b). Such a termination of service shall not be considered a cancellation of the service agreement or relieve Customer of any minimum billing or other guarantees. The Company shall be held harmless for any damages or economic loss resulting from such termination of service. If requested by the Company, Customer shall provide all available information to the Company that aids the company in enforcing its service standards. If the Company at any time has a reasonable basis for believing that Customer's proposed or existing use of the service provided will not comply with the service standards for interference, fluctuations, or harmonics, the company may engage such experts and/or consultants as the Company shall determine are appropriate to advise the Company in ensuring that such interference, fluctuations, or harmonics are within acceptable standards. Should such experts and/or consultants determine Customer's use of service is unacceptable, Company's use of such experts and/or consultants will be at the Customer's expense.

RATE

1. A contribution in aid of construction or an excess facilities charge shall be required for all special or added facilities, if any, necessary to serve such loads, as provided under the Excess Facilities Rider.
2. Plus the charges provided for under the rate schedule applicable, including any customer charge if applicable, energy charge, maximum load charge (if load charge rate is used), fuel clause and the minimum under such rate adjusted in accordance with (a) or (b) herein.
 - (a) If rate schedule calls for a minimum based on the total KW of connected load, each KVA of such special equipment shall be counted as one KW connected load for minimum billing purposes.
 - (b) If rate schedule calls for a minimum based on the 15-minute integrated load, and such loads operate only intermittently so that the KW registered on a standard 15-minute integrated demand meter is small in comparison to the instantaneous load such equipment is capable of imposing, each KVA of such special equipment shall be counted as one-third KW load for minimum billing purposes.

MINIMUM CHARGE

As determined by this Rider and the Rate Schedule to which it is attached.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RIDER	EF						
	Excess Facilities						
<p>APPLICABILITY In all territory served.</p>							
<p>AVAILABILITY OF SERVICE This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by the Company. This rider does not apply to line extensions or to other facilities which are necessary to provide basic electric service. The Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where the Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term. Customers currently being served under the Excess Facilities Rider pursuant to Original Sheet No. 15-H and 15-I of LG&E's Tariff PSC. of Ky., Electric No. 5, shall continue to be served thereunder.</p>							
<p>DEFINITION OF EXCESS FACILITIES Excess facilities are lines and equipment which are installed in addition to or in substitution for the normal facilities required to render basic electric service. Applications of excess facilities include, but are not limited to, emergency backup feeds, automatic transfer switches, redundant transformer capacity, and duplicate or check meters.</p>							
<p>LEASED FACILITIES CHARGE The customer shall pay for excess facilities through a contribution in aid of construction, which may take the form of a one-time payment or a Carrying Cost Charge based on the original installed cost of the facilities.</p> <table border="1"> <thead> <tr> <th colspan="2">Monthly Rates</th> </tr> <tr> <th>For Distribution Facilities</th> <th>Operating Expenses</th> </tr> </thead> <tbody> <tr> <td>0.94%</td> <td>0.68%</td> </tr> </tbody> </table> <p>The percentage rates are applied to the installed cost of the excess facilities</p>		Monthly Rates		For Distribution Facilities	Operating Expenses	0.94%	0.68%
Monthly Rates							
For Distribution Facilities	Operating Expenses						
0.94%	0.68%						
<p>PAYMENT The Excess Facilities Charges shall be incorporated with the bill for electric service and will be subject to the same payment provisions.</p>							
<p>TERM OF CONTRACT The initial term of contract to the customer under this schedule shall be not less than 5 years. The term shall continue automatically until terminated by either party upon at least one month's written notice.</p>							

Date of Issue: December 28, 2003 Issued By: Michael S. Beer, Vice President
Date Effective: February 1, 2004 Louisville, Kentucky

STANDARD RIDER	Excess Facilities																					
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<p>EXCESS FACILITIES CHARGE The customer shall pay for excess facilities through a contribution in aid of construction, which may take the form of a one-time payment or a fixed term Capital Recovery Charge based on the installed cost of the facilities. The length of the contract term shall be at the customer's option as set forth below.</p> <table border="1"> <thead> <tr> <th colspan="3">Monthly Rates</th> </tr> <tr> <th>Capital Recovery Charge</th> <th>Operating Expenses</th> <th></th> </tr> </thead> <tbody> <tr> <td>Term: 5 Years</td> <td>8 Years</td> <td>10 Years</td> </tr> <tr> <td>12 Years</td> <td>15 Years</td> <td></td> </tr> <tr> <td>2.66%</td> <td>1.89%</td> <td>1.64%</td> </tr> <tr> <td></td> <td>1.48%</td> <td>1.32%</td> </tr> <tr> <td></td> <td></td> <td>0.13%</td> </tr> </tbody> </table> <p>The percentage rates are applied to the installed cost of the excess facilities in order to determine the monthly charge.</p> <p>All customers shall also pay the monthly operating expenses as long as service is rendered hereunder.</p>		Monthly Rates			Capital Recovery Charge	Operating Expenses		Term: 5 Years	8 Years	10 Years	12 Years	15 Years		2.66%	1.89%	1.64%		1.48%	1.32%			0.13%
Monthly Rates																						
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<p>PAYMENT The Excess Facilities Charges shall be incorporated with the monthly bill for electric service and will be subject to the same payment provisions.</p>																						
<p>TERM OF CONTRACT The initial term of contract to the customer under this schedule shall be the selected Capital Recovery Charge Period as stated under the Excess Facilities Charge provision. The term shall continue automatically until terminated by either party upon at least one month's written notice.</p>																						

Date of Issue: December 15, 1995 Issued By: R. M. Hewett, Group Executive
Date Effective: November 21, 1995 Louisville, Kentucky
Retired: February 21, 2000

Issued Pursuant to K.P.S.C. Order of 11/21/95 in Case No. 95-276

STANDARD RIDER

Excess Facilities (Continued)

SPECIAL TERMS AND CONDITIONS

1. The Company shall install, own, operate, and provide routine maintenance of the excess facilities. During the Capital Recovery Charge term, the Company shall be responsible for the necessary replacement of the excess facilities (or a faulty component thereof) in the event of failure. Otherwise, the cost of replacing the excess facilities shall be the responsibility of the Customer.
2. In the event that excess facilities installed for the Customer are later utilized concurrently to serve other customers, then the monthly excess facilities charge shall be adjusted in proportion to the cost of the excess facilities which is reasonably assignable to the Customer.
3. The Customer hereby grants to the Company the right of ingress and egress to and from the excess facilities over any property owned by the customer for the purpose of exercising any of its rights or fulfilling any of its obligations hereunder.
4. The customer may terminate the service prior to the end of the initial term upon at least six month's written notice. However, the Customer shall pay to the Company in a lump sum the present value of the Capital Recovery Charges that would have been due throughout the remainder of the initial contract period.
5. If the Customer fails to comply with any of the terms and conditions hereof (including, but not limited to, the Customer's obligation to pay the monthly excess facilities charge timely), then the Company may give to the Customer ten days advance notice of termination during which ten-day period the Customer shall have the opportunity to cure the default. If the Customer fails to cure the default during the ten-day period, then the Company shall have the right to terminate the excess facilities service immediately upon notice, and if such termination occurs during the initial term, the Customer shall pay all remaining charges in the manner prescribed under Item 4.
6. Upon termination of the service for any reason, whether during or after the initial contract period, the Company shall have the option of either removing the excess facilities from the Customer's premises and using, selling, or disposing of such excess facilities as the Company wishes or abandoning the excess facilities in place.
7. The service shall not be assigned or transferred by the Customer without the prior written approval of the Company.
8. Electric Service set forth in the Company's electric tariff shall apply except to the extent inconsistent with any of the terms hereof and are incorporated herein by reference.

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Louisville Gas and Electric Company

Original Sheet No. 53
P.S.C. of Ky. Electric No. 6

STANDARD RIDER
Kilowatt-Hours Consumed By Street Lighting Units

APPLICABLE

Determination of energy set out below applies to the Company's non-metered lighting rate schedules.

DETERMINATION OF ENERGY CONSUMPTION

The applicable fuel clause charge or credit will be based on the kilowatt-hours calculated by multiplying the kilowatt load of each light times the number of hours that light is in use during the billing month. The kilowatt load of each light is shown in the section titled RATE. The number of hours a light will be in use during a given month is from dusk to dawn as shown in the following Hours Use Table.

HOURS USE TABLE

Month	Hours Light Is In Use
JAN	407
FEB	344
MAR	347
APR	301
MAY	281
JUN	257
JUL	273
AUG	299
SEP	322
OCT	368
NOV	386
DEC	415
TOTAL FOR YEAR	4,000 HRS.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 23-A
P.S.C. of Ky. Electric No. 5

STANDARD RIDER
Kilowatt-Hours Consumed By Street Lighting Units

Billing Period	Running Hours	100 Watt		175 Watt		250 Watt		400 Watt		1000 Watt	
		Mercury Vapor .124 Kw	Mercury Vapor .210 Kw	Mercury Vapor .462 Kw	Mercury Vapor .85	Mercury Vapor .105 Kw	Mercury Vapor .210 Kw	Mercury Vapor .449	Mercury Vapor .85	Mercury Vapor .105 Kw	Mercury Vapor .210 Kw
Jan.	406.0	50	85	121	187	158	378	72	85	122	122
Feb.	342.4	43	72	102	158	160	382	73	72	103	103
Mar.	345.6	43	73	103	160	139	331	63	63	35	104
Apr.	300.0	37	63	88	139	130	310	59	59	30	90
May	280.8	35	59	84	130	119	285	54	54	28	84
June	257.6	32	54	77	119	128	303	58	58	27	77
July	274.0	34	58	82	128	139	332	63	63	27	82
Aug.	300.0	37	63	89	139	149	357	68	68	30	90
Sept.	323.2	40	68	77	110	170	408	77	77	32	97
Oct.	388.8	46	77	110	170	179	427	81	81	37	111
Nov.	388.8	46	81	115	179	192	458	87	87	39	116
Dec.	414.8	51	87	124	192	1848	420	840	840	41	124
Total	4,000	498	840	1,182	1,848	4,420	400	200	200	400	1,200

Date of Issue: February 21, 2000 Issued By Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky

STANDARD RIDER

Supplemental or Standby Service

APPLICABLE

To Large Commercial Rate LC, Rate LC-TOD, Industrial Power Rate LP, and Rate LP-TOD.

AVAILABILITY

Available to customers whose premises or equipment are regularly supplied with electric energy from generating facilities other than those of Company and who desire to contract with Company for reserve, breakdown, supplemental or standby service.

RATE

Electric service actually used each month will be charged for in accordance with the provisions of the applicable rate schedule; provided, however, that the monthly bill shall in no case be less than an amount calculated at the rate of \$5.61 per kilowatt applied to the Contract demand.

CONTRACT DEMAND

Contract Demand is defined as the number of kilowatts mutually agreed upon as representing customer's maximum service requirements and contracted for by customer; provided, however, if such number of kilowatts is exceeded by a recorded demand, such recorded demand shall become the new contract demand commencing with the month in which recorded and continuing for the remaining term of the contract or until superseded by a higher recorded demand.

SPECIAL TERMS AND CONDITIONS

- a. In order to protect its equipment from overload damage, Company may require customer to install at his own expense an approved shunt trip type breaker for secondary voltages and an approved automatic pole-mounted disconnect for primary service. Such circuit breakers shall be under the sole control of the Company and will be set by the Company to break the connection with its service in the event customer's demand materially exceeds that contracted for.
- b. Company will provide meter enclosures and furnish, place and maintain necessary suitable meters for measurement of service rendered hereunder. Customer will be responsible for installing and wiring the respective meter enclosures.
- c. Customer will be required at all times to maintain a power factor of not less than 80% lagging.

Date of Issue: July 19, 1988

Issued By

Date Effective: May 20, 1988
Revised: February 31, 2000

Issued Pursuant to K.P.S.C. Order of 7/1/88 in Case No. 10064
R. M. Hewitt, Group Executive
Louisville, Kentucky

STANDARD RIDER

Supplemental or Standby Service

APPLICABLE

To Large Commercial Rate LC, Rate LC-TOD, Industrial Power Rate LP, and Rate LP-TOD.

AVAILABILITY OF SERVICE

Available to customers whose premises or equipment are regularly supplied with electric energy from generating facilities other than those of Company and who desire to contract with Company for reserve, breakdown, supplemental or standby service.

RATE

Electric service actually used each month will be charged for in accordance with the provisions of the applicable rate schedule; provided, however, that the bill shall in no case be less than an amount calculated at the rate of \$8.25 per kilowatt applied to the Contract demand.

CONTRACT DEMAND

Contract Demand is defined as the number of kilowatts mutually agreed upon as representing customer's maximum service requirements and contracted for by customer; provided, however, if such number of kilowatts is exceeded by a recorded demand, such recorded demand shall become the new contract demand commencing with the month in which recorded and continuing for the remaining term of the contract or until superseded by a higher recorded demand.

SPECIAL TERMS AND CONDITIONS

- a. In order to protect its equipment from overload damage, Company may require customer to install at his own expense an approved shunt trip type breaker for secondary voltages and an approved automatic pole-mounted disconnect for primary service. Such circuit breakers shall be under the sole control of the Company and will be set by the Company to break the connection with its service in the event customer's demand materially exceeds that contracted for.
- b. Company will provide meter enclosures and furnish, place and maintain necessary suitable meters for measurement of service rendered hereunder. Customer will be responsible for installing and wiring the respective meter enclosures.
- c. Customer will be required at all times to maintain a power factor of not less than 80% lagging.
- d. In the event customer's use of service is intermittent or subject to violent fluctuations, the Company will require customer to install and maintain at his own expense suitable equipment to satisfactorily limit such intermittence or fluctuations.
- e. Customer's generating equipment shall not be operated in parallel with Company's service until the manner of such operation has been approved by Company and is in compliance with Company's operating standards for system reliability and safety.
- f. The minimum contract period shall be one year, but Company may require that a contract be executed for a longer initial term when deemed necessary by the size of load or special conditions.
- g. Such of the Company's general rules and regulations as are not in conflict or inconsistent with the special provisions herein prescribed shall likewise apply to supplemental or standby service.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 15
P. S. C. of Ky. Electric No. 5

STANDARD RIDER

Supplemental or Standby Service (Continued)

- d. In the event customer's use of service is intermittent or subject to violent fluctuations, the Company will require customer to install and maintain at his own expense suitable equipment to satisfactorily limit such intermittence or fluctuations.
- e. Customer's generating equipment shall not be operated in parallel with Company's service until the manner of such operation has been approved by Company and is in compliance with Company's operating standards for system reliability and safety.
- f. The minimum contract period shall be one year, but Company may require that a contract be executed for a longer initial term when deemed necessary by the size of load or special conditions.
- g. Such of the Company's general rules and regulations as are not in conflict or inconsistent with the special provisions herein prescribed shall likewise apply to supplemental or standby service.

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Date of Issue: July 19, 1988

Issued By

Date Effective: May 20, 1988
Revised: February 21, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 7/1/88 in Case No. 10064

STANDARD RIDER RC
Redundant Capacity

APPLICABLE

This rate is applicable to customers served under the Company's rate schedules which include a demand charge or a special contract including a demand charge.

AVAILABILITY

Available to Customers requesting the reservation of capacity on the Company's facilities which are shared by other customers. Such facilities represent a redundant delivery to provide electric service to the Customer's facility in the event that an emergency or unusual occurrence renders the Customer's principal delivery unavailable for providing service.

RATE:

Capacity Reservation Charge	\$1.43 per Kw per Month
Secondary Distribution	\$1.06 per Kw per Month
Primary Distribution	

Applicable to the greater of:

- (1) the highest average load in kilowatts recorded at either the principal distribution feed metering point or at the redundant distribution feed metering point during any 15-minute interval in the monthly billing period.
- (2) 50% of the maximum demand similarly determined for any of the 11 preceding months, or
- (3) the contracted capacity reservation

SPECIAL TERMS AND CONDITIONS:

The minimum contract term shall be five years, but the Company may require that a contract be executed for a longer initial term when deemed necessary by the difficulty and/or high cost associated with providing the redundant feed or other special

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 15-J
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE NMS
Net Metering Service

APPLICABLE

In all territory served by the Company on a trial basis for 36 months from the effective date of March 14, 2002.

AVAILABILITY OF SERVICE

Available to customers who own, operate and maintain a generation system located on customer's premises, that use as its total fuel source solar, wind or hydro energy, in parallel with the Company's electric system to provide all or part of their electrical requirements, and who execute the written Net Metering Program Notification Form. The generation system shall be limited to a maximum capacity of 10 kilowatts for residential customers and 25 kilowatts for non-residential customers. This tariff will be made available on a pilot program basis to the first 25 customers who execute and submit a Net Metering Program Notification Form. To participate in the program, a customer shall begin service during the first two years of the trial.

NOTIFICATION

The customer shall submit a completed Net Metering Program Notification Form to the company at least 30 days prior to the date the customer intends to interconnect his generator to the company's facilities. Customer shall have all equipment necessary to complete the interconnection installed prior to such notification. The company shall have 30 days from the date of notification to determine whether the customer has satisfied the tariff requirements and shall notify customer. The date of notification shall be the third day following the mailing of the Net Metering Program Notification Form by customer. Customer may interconnect his generator thirty-one days after the date of notification, and begin operation unless the company provides notification of non-compliance to the tariff, prior to the 31st day.

METERING AND BILLING

Net Metering Service shall be measured in accordance with standard metering practices by metering equipment capable of measuring (but not necessarily displaying) power flow in both directions. If electricity generated by the customer and fed back to the Company's system exceeds the electricity supplied to the customer during a net metering period, the customer shall receive no compensation from the Company unless the customer has entered into a purchase power contract with the Company. If electricity generated by the customer and fed back to the system exceeds the electricity supplied to the customer from the system during any billing period, resulting in a Billing Period Credit, the customer shall be required to pay only the non-energy charges for that billing period. Any excess net generation by the customer shall be accumulated, carried forward and applied at the first opportunity to any billing periods having positive net consumption. Any accumulated Billing Period Credits remaining unused at the end of a net metering period shall be carried forward into the next net metering period only to the extent that such accumulated Billing Period Credits carried forward do not exceed the net metering customer's positive net consumption for the current net metering period. Net metering service shall be measured using a single meter or, as determined by the Company, additional meters.

LIABILITY INSURANCE

A customer with a generator with a rated capacity not exceeding 10 kilowatts shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least \$100,000 for the liability of the insured against loss arising out of the use of a generator, and for a generator with a rated capacity exceeding 10 kilowatts such coverage shall be in the amount of at least \$300,000.

Date of Issue: April 17, 2002

Issued By

Date Effective: March 14, 2002

Michael S. Beer, Vice President
Louisville, Kentucky
Issued By Authority of K.P.S.C. Order dated 3/14/02 in Case No. 2001-00303

Louisville Gas and Electric Company

Original Sheet No. 60
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE NMS
Net Metering Service

APPLICABLE

In all territory served by the Company on a trial basis for 36 months from the effective date of March 14, 2002.

AVAILABILITY OF SERVICE

Available to customers who own, operate and maintain a generation system located on customer's premises, that use as its total fuel source solar, wind or hydro energy, in parallel with the Company's electric system to provide all or part of their electrical requirements, and who execute the Company's written Net Metering Program Notification Form. The generation system shall be limited to a maximum capacity of 10 kilowatts for residential customers and 25 kilowatts for non-residential customers. This tariff will be made available on a pilot program basis to the first 25 customers who execute and submit a Net Metering Program Notification Form. To participate in the program, a customer shall begin service during the first two years of the trial.

NOTIFICATION

The customer shall submit a completed Net Metering Program Notification Form to the company at least 30 days prior to the date the customer intends to interconnect his generator to the company's facilities. Customer shall have all equipment necessary to complete the interconnection installed prior to such notification. The company shall have 30 days from the date of notification to determine whether the customer has satisfied the tariff requirements and shall notify customer. The date of notification shall be the third day following the mailing of the Net Metering Program Notification Form by customer. Customer may interconnect his generator thirty-one days after the date of notification, and begin operation unless the company provides notification of non-compliance to the tariff, prior to the 31st day.

METERING AND BILLING

Net Metering Service shall be measured in accordance with standard metering practices by metering equipment capable of measuring (but not necessarily displaying) power flow in both directions. If electricity generated by the customer and fed back to the Company's system exceeds the electricity supplied to the customer from the system during a net metering period, the customer shall receive no compensation from the Company unless the customer has entered into a purchase power contract with the Company. If electricity generated by the customer and fed back to the system exceeds the electricity supplied to the customer from the system during any billing period, resulting in a Billing Period Credit, the customer shall be required to pay only the non-energy charges for that billing period. Any excess net generation by the customer shall be accumulated, carried forward and applied at the first opportunity to any billing periods having positive net consumption. Any accumulated Billing Period Credits remaining unused at the end of a net metering period shall be carried forward into the next net metering period only to the extent that such accumulated Billing Period Credits carried forward do not exceed the net metering customer's positive net consumption for the current net metering period. Net metering service shall be measured using a single meter or, as determined by the Company, additional meters.

LIABILITY INSURANCE

A customer with a generator with a rated capacity not exceeding 10 kilowatts shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least \$100,000 for the liability of the insured against loss arising out of the use of a generator, and for a generator with a rated capacity exceeding 10 kilowatts such coverage shall be in the amount of at least \$300,000.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 15-K
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE NMS
Net Metering Service

ADDITIONAL CONTROLS AND TESTS

The company may install additional controls or meters, or conduct additional tests as it may deem necessary.

NET METERING SERVICE INTERCONNECTION GUIDELINES

Customer shall operate their generating facilities in parallel with Company's system under the following conditions and any other conditions required by Company where unusual conditions arise not covered herein:

1. Customer to own, install, and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between customer's and Company's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as the Company's system voltage.
2. Customer will be responsible for operating generators and all facilities owned by customer, except as specified hereinafter. Customer will maintain its system in synchronization with Company's system.
3. Customer will be responsible for any damage done to Company's equipment due to failure of customer's control, safety, or other equipment.
4. The Company at, its discretion, may require a suitable lockable, company accessible, load breaking manual disconnect switch or similar equipment, as specified by Company, to be furnished by customer at a location designated by Company to enable the separation or disconnection of the two electrical systems. The load breaking manual disconnect switch must be accessible to the Company at all times.
5. Customer agrees to inform Company of any changes it wishes to make in its generating and/or associated facilities that is different from those initially installed and described to Company in writing and obtain prior approval from Company.
6. Company will have the right to inspect and approve customer's facilities, described herein, and conduct any tests necessary to determine that such facilities are installed and operating properly. However, the Company will have no obligation to inspect, witness tests or in any manner be responsible for customer's facilities or operation.
7. The customer assumes all responsibility for the electric service on the customer's premises at and from the point of delivery of electricity from the Company and for the wires and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the customer's premises or at and from the point of delivery of electricity from the Company, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company.

Date of Issue: April 12, 2002

Issued By

Date Effective: March 14, 2001

Michael S. Bear, Vice President
Louisville, Kentucky

Issued By Authority of K.P.S.C. Order dated 3/14/02 in Case No. 2001-00303

Louisville Gas and Electric Company

Original Sheet No. 60.1
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE NMS
Net Metering Service

ADDITIONAL CONTROLS AND TESTS

The company may install additional controls or meters, or conduct additional tests as it may deem necessary.

NET METERING SERVICE INTERCONNECTION GUIDELINES

Customer shall operate their generating facilities in parallel with Company's system under the following conditions and any other conditions required by Company where unusual conditions arise not covered herein:

1. Customer to own, install, and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between customer's and Company's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as the Company's system voltage.
2. Customer will be responsible for operating generators and all facilities owned by customer, except as specified hereinafter. Customer will maintain its system in synchronization with Company's system.
3. Customer will be responsible for any damage done to Company's equipment due to failure of customer's control, safety, or other equipment.
4. The Company at, its discretion, may require a suitable lockable, company accessible, load breaking manual disconnect switch or similar equipment, as specified by Company, to be furnished by customer at a location designated by Company to enable the separation or disconnection of the two electrical systems. The load breaking manual disconnect switch must be accessible to the Company at all times.
5. Customer agrees to inform Company of any changes it wishes to make in its generating and/or associated facilities that is different from those initially installed and described to Company in writing and obtain prior approval from Company.
6. Company will have the right to inspect and approve customer's facilities, described herein, and conduct any tests necessary to determine that such facilities are installed and operating properly. However, the Company will have no obligation to inspect, witness tests or in any manner be responsible for customer's facilities or operation.
7. The customer assumes all responsibility for the electric service on the customer's premises at and from the point of delivery of electricity from the Company and for the wires and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the customer's premises or at and from the point of delivery of electricity from the Company, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 15-L
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE NMS
Net Metering Service

CONDITIONS OF INTERCONNECTION

- A customer may begin operation of his generator on an interconnected basis when all of the following have been satisfied:
- The customer has properly notified the company of his intent to interconnect by submission of the completed Net Metering Program Notification Form.
 - The net metering customer has installed a lockable, company accessible, load breaking manual disconnect switch, if required.
 - A licensed electrician has certified, by signing the Company Net Metering Program Notification Form, that any required manual disconnect switch has been installed properly and that the generator has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
 - The vendor has certified, by signing the Company Net Metering Program Notification Form, that the generator being installed is in compliance with the requirements established by Underwriters Laboratories, or other national testing laboratories.
 - The customer has had the inverter settings inspected by the company, if the generator is a static inverter-connected generator with an alternating current capacity in excess of 10 kilowatts. The Company may impose a fee on the customer of no more than \$50 for such inspection.
 - For non-static inverter-connected generators, the customer has interconnected according to the Company's interconnection guidelines and the Company has inspected all protective equipment settings. The Company may impose a fee on the customer of no more than \$50 for such inspection.

DEFINITIONS

- "Billing period" shall be the time period between the dates on which the Company issues the customer's bills.
- "Billing Period Credit" shall be the electricity generated by the customer that flows into the electric system and which exceeds the electricity supplied to the customer from the electric system during any billing period.
- "Net metering period" shall be each successive 12-month period beginning with the first meter reading date following the date of final interconnection of the generator with the company's facilities.

RULES AND REGULATIONS

Except as provided herein, service will be provided under the Company's Rules and Regulations or Terms and Conditions.

Date of Issue: April 17, 2002 Issued By Michael S. Beer, Vice President
Louisville, Kentucky
Issued By Authority of K.P.S.C. Order dated 3/14/02 in Case No. 2001-00303

Date Effective: March 14, 2002

Louisville Gas and Electric Company

Original Sheet No. 60.2
P.S.C. of Ky. Electric No. 6

ELECTRIC RATE SCHEDULE NMS
Net Metering Service

CONDITIONS OF INTERCONNECTION

- A customer may begin operation of his generator on an interconnected basis when all of the following have been satisfied:
- The customer has properly notified the company of his intent to interconnect by submission of the completed Net Metering Program Notification Form.
 - The net metering customer has installed a lockable, company accessible, load breaking manual disconnect switch, if required.
 - A licensed electrician has certified, by signing the Company Net Metering Program Notification Form, that any required manual disconnect switch has been installed properly and that the generator has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
 - The vendor has certified, by signing the Company Net Metering Program Notification Form, that the generator being installed is in compliance with the requirements established by Underwriters Laboratories, or other national testing laboratories.
 - The customer has had the inverter settings inspected by the company, if the generator is a static inverter-connected generator with an alternating current capacity in excess of 10 kilowatts. The Company may impose a fee on the customer of no more than \$50 for such inspection.
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DEFINITIONS

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- "Net metering period" shall be each successive 12-month period beginning with the first meter reading date following the date of final interconnection of the generator with the company's facilities.

TERMS AND CONDITIONS

Except as provided herein, service will be furnished under Company's Terms and Conditions.

Date of Issue: December 29, 2003 Issued By Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

STANDARD RATE SCHEDULE NMS
Net Metering Service

Net Metering Program Notification Form

INTERCONNECTION NOTIFICATION
 APPLICANT HEREBY GIVES NOTICE OF INTENT TO OPERATE A GENERATING FACILITY.

Section 1. Applicant Information
 Name: _____
 Mail Address: _____
 City: _____ State: _____ Zip Code: _____
 Facility Location (if different from above): _____
 Daytime Phone Number: _____
 LG&E Account Number: _____

Section 2. Generating Facility Information
 Generator Type (check one): Solar _____ Wind _____ Hydro _____
 Generator Manufacturer, Model Name & Number: _____

Power Rating in Kilowatts: AC: _____ DC: _____
 Inverter Manufacturer, Model Name & Number: _____
 Battery Backup? (yes or no) _____

Section 3. Installation Information
 Installation Date: _____ Proposed Interconnection Date: _____

Section 4. Certifications
 1. The system hardware is listed by Underwriters Laboratories to be in compliance with UL 1741:
 Signed (Vendor): _____ Date: _____
 Name (printed): _____ Company: _____
 Phone Number: _____
 2. The system has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
 Signed (Licensed Electrician): _____ Date: _____
 License Number: _____ Phone Number: _____
 Mail Address: _____
 City: _____ State: _____ Zip Code: _____
 3. Utility signature signifies only receipt of this form.
 Signed (Utility Representative): _____
 Date: _____

I hereby certify that, to the best of my knowledge, all of the information provided in this Notice is true and correct.

Signature of Applicant _____

Date of Issue: April 12, 2002 Issued By _____ Date Effective: March 14, 2002

Michael S. Beer, Vice President
Louisville, Kentucky
Issued By Authority of K.P.S.C. Order dated 3/14/02 in Case No. 2001-90303

ELECTRIC RATE SCHEDULE NMS
Net Metering Service

Net Metering Program Notification Form

INTERCONNECTION NOTIFICATION
 APPLICANT HEREBY GIVES NOTICE OF INTENT TO OPERATE A GENERATING FACILITY.

Section 1. Applicant Information
 Name: _____
 Mail Address: _____
 City: _____ State: _____ Zip Code: _____
 Facility Location (if different from above): _____
 Daytime Phone Number: _____
 LG&E Account Number: _____

Section 2. Generating Facility Information
 Generator Type (check one): Solar _____ Wind _____ Hydro _____
 Generator Manufacturer, Model Name & Number: _____

Power Rating in Kilowatts: AC: _____ DC: _____
 Inverter Manufacturer, Model Name & Number: _____
 Battery Backup? (yes or no) _____

Section 3. Installation Information
 Installation Date: _____ Proposed Interconnection Date: _____

Section 4. Certifications
 1. The system hardware is listed by Underwriters Laboratories to be in compliance with UL 1741:
 Signed (Vendor): _____ Date: _____
 Name (printed): _____ Company: _____
 Phone Number: _____
 2. The system has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.
 Signed (Licensed Electrician): _____ Date: _____
 License Number: _____ Phone Number: _____
 Mail Address: _____
 City: _____ State: _____ Zip Code: _____
 3. Utility signature signifies only receipt of this form.
 Signed (Utility Representative): _____
 Date: _____

I hereby certify that, to the best of my knowledge, all of the information provided in this Notice is true and correct.

Signature of Applicant _____

Date of Issue: December 29, 2003 Issued By _____ Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE
LRI
Experimental Load Reduction Incentive Rider

APPLICABLE

In all territory served by the Company.

AVAILABILITY OF SERVICE

This schedule shall be made available as a rider to any customer served on the Company's standard tariffs, having stand-by generation facilities of at least 500 kW, and agreeing to operate such facilities in accordance with the terms and conditions of this tariff. Service under this schedule is offered on an experimental basis for a period of six years from the effective date of August 1, 2000, for a total maximum contracted load of 10,000 kW.

RATE

Up to \$0.30 per KWH

TERMS AND CONDITIONS

- 1) Company will have the option to require Customer to operate Customer's stand-by generation to replace Customer's electric usage. Such period of generation shall not exceed 8 hours in any 24-hour period nor shall the total hours of generation in any 12-month period exceed 300 hours.
- 2) Should Company request Customer to operate Customer's stand-by generation, Company will notify Customer by 12 noon on a day ahead basis.
- 3) Company's request for Customer to operate Customer's stand-by generation will include an offer of a payment per KWH for Customer to operate Customer's stand-by generation.
- 4) Customer is obligated to operate Customer's stand-by generation should Customer accept the Company's offered price.
- 5) Customer's stand-by generation shall not be operated in parallel with Company's system (i.e., such generation shall be connected to circuits which are isolated from Company's system).
- 6) Customer will be responsible for maintaining Customer's stand-by generation, including an adequate fuel supply, to ensure meeting Customer's obligation under this schedule.
- 7) Company will meter the output of Customer's stand-by generation, base the payment for Customer reducing load on the metered output, and provide payment to Customer through a credit to Customer's standard service billing.
- 8) Customer may provide Company with the option to install equipment that will permit Company to remotely start stand-by generation and switch circuits to such generation so that they are isolated from Company's system.
- 9) Customer has no obligation to request operation of Customer's stand-by generation nor to provide any credit to operate stand-by generation may result in termination of contract.

TERM OF CONTRACT

The minimum term of contract shall be for one year and thereafter until terminated by either party giving at least six months written notice. Company may require a longer initial term when deemed necessary. Failure of Customer to operate stand-by generation may result in termination of contract.

Date of Issue: July 29, 2003
Cancelling First Revision of
Original Sheet No. 13
Issued August 1, 2000

Issued By

Date Effective: August 1, 2000

Michael S. Beer, Vice President
Louisville, Kentucky

ELECTRIC RIDER
LRI
Experimental Load Reduction Incentive Rider

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule shall be made available as a rider to any customer served on the Company's standard tariffs, having stand-by generation facilities of at least 500 kW, and agreeing to operate such facilities in accordance with the terms and conditions of this tariff. Service under this schedule is offered on an experimental basis for a period of six years from the effective date of August 1, 2000, for a total maximum contracted load of 10,000 kW.

RATE

Up to \$0.30 per KWH

TERMS AND CONDITIONS

- 1) Company will have the option to require Customer to operate Customer's stand-by generation to replace Customer's electric usage. Such period of generation shall not exceed 8 hours in any 24-hour period nor shall the total hours of generation in any 12-month period exceed 300 hours.
- 2) Should Company request Customer to operate Customer's stand-by generation, Company will notify Customer by 12 noon on a day ahead basis.
- 3) Company's request for Customer to operate Customer's stand-by generation will include an offer of a payment per KWH for Customer to operate Customer's stand-by generation.
- 4) Customer is obligated to operate Customer's stand-by generation should Customer accept the Company's offered price.
- 5) Customer's stand-by generation shall not be operated in parallel with Company's system (i.e., such generation shall be connected to circuits which are isolated from Company's system).
- 6) Customer will be responsible for maintaining Customer's stand-by generation, including an adequate fuel supply, to ensure meeting Customer's obligation under this schedule.
- 7) Company will meter the output of Customer's stand-by generation, base the payment for Customer reducing load on the metered output, and provide payment to Customer through a credit to Customer's standard service billing.
- 8) Customer may provide Company with the option to install equipment that will permit Company to remotely start stand-by generation and switch circuits to such generation so that they are isolated from Company's system.
- 9) Company has no obligation to request operation of Customer's stand-by generation nor to provide any credit to Customer without first requesting Customer to provide stand-by generation.

TERM OF CONTRACT

The minimum term of contract shall be for one year and thereafter until terminated by either party giving at least six months written notice. Company may require a longer initial term when deemed necessary. Failure of Customer to operate stand-by generation may result in termination of contract.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

**First Revision of Original Sheet No. 24
P.S.C. of Ky. Electric No. 5**

STANDARD RIDER

Fuel Clause

Applicable to: All electric rate schedules.

The monthly amount computed under each of the rate schedules to which this fuel clause is applicable shall be increased or decreased at a rate per kilowatt-hour of monthly consumption in accordance with the following formula:

$$\text{Adjustment Factor} = F/S - 1.281\%$$

Where F is the expense of fuel in the second preceding month and S is the sales in the second preceding month, as defined below:

- 1) Fuel costs (F) shall be the cost of:
 - (a) Fossil fuel consumed in the Company's plants plus the cost of fuel which would have been used in plants suffering forced generation or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute for the forced outages, plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation used for such purchases), when such energy is purchased on an economic dispatch basis. Included therein are such costs as the charges for economy energy purchases and the charges as a result of scheduled outages, all such kinds of energy being purchased by Company to substitute for its own higher cost energy, and less
 - (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
 - (e) All fuel costs shall be based on weighted average inventory costing. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licensees.
 - (f) As used herein, the term "forced outages" means all nonscheduled losses of generation or transmission which require substitute power for a continuous period in excess of six hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installation, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of the public enemy, then the Company may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.
- 2) Sales (S) shall be determined in kilowatt-hours as follows:
 - Add:
 - (a) net generation
 - (b) purchases
 - (c) interchange-in
 - Subtract:
 - (d) inter-system sales including economy energy and other energy sold on an economic dispatch basis
 - (e) total system losses

Pursuant to the Public Service Commission's Order in Case No. 2002-00433 dated April 23, 2003, the Fuel Adjustment Clause will become effective with bills rendered on and after the first billing cycle of May 2003

Date of Issue: May 13, 2003
Cancelling Original Sheet No. 24
Issued February 21, 2000

Date Effective: May 1, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-00434

Louisville Gas and Electric Company

**Original Sheet No. 70
P.S.C. of Ky. Electric No. 6**

FAC

Fuel Adjustment Clause

APPLICABLE.
In all territory service.

AVAILABILITY OF SERVICE

This schedule is a mandatory rider to all electric rate schedules.

- (1) The monthly amount computed under each of the rate schedules to which this fuel clause is applicable shall be increased or decreased at a rate per kilowatt-hour of monthly consumption in accordance with the following formula:

$$\text{Adjustment Factor} = F/S - 1.218\%$$

Where F is the expense of fuel in the second preceding month and S is the sales in the second preceding month, as defined below:

- (2) Fuel costs (F) shall be the cost of:
 - (a) Fossil fuel consumed in the Company's plants plus the cost of fuel which would have been used in plants suffering forced generation or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute for the forced outages, plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein are such costs as the charges for economy energy purchases and the charges as a result of scheduled outage, all such kinds of energy being purchased by Company to substitute for its own higher cost energy, and less
 - (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
 - (e) All fuel costs shall be based on weighted average inventory costing. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licensees.
 - (f) As used herein, the term "forced outages" means all nonscheduled losses of generation or transmission which require substitute power for a continuous period in excess of six hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installation, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of the public enemy, then the Company may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 70.1
P.S.C. of Ky. Electric No. 6

FAC
Fuel Adjustment Clause

insurrection or acts of the public enemy, then the Company may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.

(3) Sales (S) shall be determined in kilowatt-hours as follows:

Add:

- (a) net generation
- (b) purchases
- (c) interchange-in

Subtract:

- (d) inter-system sales including economy energy and other energy add on an economic dispatch basis
- (e) total system losses

• Pursuant to the Public Service Commission's Order in Case No. 2002-00433 dated April 23, 2003, the Fuel Adjustment Clause will become effective with bills rendered on and after the first billing cycle of May 2003.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

DSMRM

Demand-Side Management Cost Recovery Mechanism

APPLICABLE TO: Residential Rate R, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD. Customers served under Industrial Power Rate LP and Industrial Power Time-of-Day Rate LP-TOD who elect not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism.

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per kilowatt hour of monthly consumption in accordance with the following formula:

$$DSMRC = DCR + DRLS + DSMI + DBA$$

Where: **DCR = DSM COST RECOVERY.** The DCR shall include all expected costs which have been approved by the Commission for each twelve-month period for demand-side management programs which have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program. The cost of approved programs shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DCR for such rate class.

DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff and will be recovered as follows:

For each upcoming twelve-month period, the estimated reduction in customer usage (in Kwh) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per Kwh for purposes of determining the lost revenue to be recovered hereunder from each customer class. The non-variable revenue requirement for the Residential and General Service customer class is defined as the weighted average price per Kwh of expected billings under

DSMRM

Demand-Side Management Cost Recovery Mechanism

APPLICABLE TO: Residential Rate RS, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD. Customers served under Industrial Power Rate LP and Industrial Power Time-of-Day Rate LP-TOD who elect not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism.

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per kilowatt hour of monthly consumption in accordance with the following formula:

$$DSMRC = DCR + DRLS + DSMI + DBA$$

Where: **DCR = DSM COST RECOVERY.** The DCR shall include all expected costs which have been approved by the Commission for each twelve-month period for demand-side management programs which have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program. The cost of approved programs shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DCR for such rate class.

DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff and will be recovered as follows:

For each upcoming twelve-month period, the estimated reduction in customer usage (in KWH) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per KWH for purposes of determining the lost revenue to be recovered hereunder from each customer class. The non-variable revenue requirement for the Residential and General Service customer class is defined as the weighted average price per KWH of expected billings under the energy charges contained in the Rate RS

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

the energy charges contained in the Rate R and GS rate schedules in the upcoming twelve-month period after deducting the variable costs included in such energy charges. The non-variable revenue requirement for each of the customer classes that are billed under demand and energy rates (Rates LC, LC-TOD, LP and LP-TOD is defined as the weighted average price per Kwh represented by the composite of the expected billings under the respective demand and energy charges in the upcoming twelve-month period, after deducting the variable costs included in the energy charges.

The lost revenues for each customer class shall then be divided by the estimated class sales (in Kwh) for the upcoming twelve-month period to determine the applicable DRLS surcharge. Recovery of revenue from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case, whichever comes first. Revenues from lost sales will be assigned for recovery purposes to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

DSMI = DSM INCENTIVE. For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs which are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of LG&E's avoided costs over the expected life of the program, and will include both capacity and energy savings. For Energy Education and Direct Load Control Programs, the DSM incentive amount shall be computed by multiplying the annual cost of the approved programs which are to be installed during the upcoming twelve-month period times five (5) percent.

DSMRM

Demand-Side Management Cost Recovery Mechanism

and GS rate schedules in the upcoming twelve-month period after deducting the variable costs included in such energy charges. The non-variable revenue requirement for each of the customer classes that are billed under demand and energy rates (Rates LC, LC-TOD, LP and LP-TOD is defined as the weighted average price per KWH represented by the composite of the expected billings under the respective demand and energy charges in the upcoming twelve-month period, after deducting the variable costs included in the energy charges.

The lost revenues for each customer class shall then be divided by the estimated class sales (in KWH) for the upcoming twelve-month period to determine the applicable DRLS surcharge. Recovery of revenue from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case, whichever comes first. Revenues from lost sales will be assigned for recovery purposes to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

DSMI = DSM INCENTIVE. For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs which are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of LG&E's avoided costs over the expected life of the program, and will include both capacity and energy savings. For Energy Education and Direct Load Control Programs, the DSM incentive amount shall be computed by multiplying the annual cost of the approved programs which are to be installed during the upcoming twelve-month period times five (5) percent.

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

The DSM incentive amount related to programs for Residential Rate R, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DSMI for such rate class. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

DBA = DSM BALANCE ADJUSTMENT. The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI and previous application of the DBA and the revenues which should have been billed, as follows:

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) For the DBA, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DBA and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest applied to the monthly amounts, such interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period. The total of the balance adjustment amounts shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DBA for such rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes to which over- or under-recoveries of DSM amounts were realized.

The filing of modifications to the DSMRC which require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing.

DSMRM

Demand-Side Management Cost Recovery Mechanism

The DSM incentive amount related to programs for Residential Rate RS, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DSMI for such rate class. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

DBA = DSM BALANCE ADJUSTMENT. The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI and previous application of the DBA and the revenues which should have been billed, as follows:

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) For the DBA, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DBA and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest applied to the bill amounts, such interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period. The total of the balance adjustment amounts shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DBA for such rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes to which over- or under-recoveries of DSM amounts were realized.

The filing of modifications to the DSMRC which require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing.

Louisville Gas and Electric Company

First Revision of Original Sheet No. 23-E
P.S.C. of Ky. Electric No. 5

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

Date of Issue: June 29, 2001
Cancelling Original Sheet No. 23-E
Issued September 25, 1998

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of 5/11/01 in Case No. 2000-459

Date Effective: July 1, 2001

Louisville Gas and Electric Company

Original Sheet No. 71.3
P.S.C. of Ky. Electric No. 6

DSMRM

Demand-Side Management Cost Recovery Mechanism

Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Fifth Revision of Original Sheet No. 23-F
P. S. C. of Ky. Electric No. 5

DSMRM	
Demand-Side Management Cost Recovery Mechanism (Continued)	
APPLICABLE TO:	
Residential Rate R, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD.	
DSM Cost Recovery Component (DSMRC):	
<u>Residential Rate R</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR):	0.074 ¢/kwh
DSM Revenues from Lost Sales (DRLS):	0.005 ¢/kwh
DSM Incentive (DSMI):	0.003 ¢/kwh
DSM Balance Adjustment (DBA):	(0.011) ¢/kwh
DSMRC Rate R:	0.071 ¢/kwh
<u>General Service Rate GS</u>	
DSM Cost Recovery Component (DCR):	0.016 ¢/kwh
DSM Revenues from Lost Sales (DRLS):	0.005 ¢/kwh
DSM Incentive (DSMI):	0.000 ¢/kwh
DSM Balance Adjustment (DBA):	0.007 ¢/kwh
DSMRC Rate GS:	0.028 ¢/kwh

Date of Issue: April 3, 2003
Cancelling Fourth Revision of Original Sheet No. 23-F
Issued November 21, 2002

Issued By
Date Effective: With Bills Rendered On and After April 3, 2003

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/1/03 in Case No. 2003-00889

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Louisville Gas and Electric Company

Original Sheet No. 71-4
P. S. C. of Ky. Electric No. 6

DSMRM	
Demand-Side Management Cost Recovery Mechanism	
APPLICABLE TO:	
Residential Rate RS, General Service Rate GS, Large Commercial Rate LC, Large Commercial Time-of-Day Rate LC-TOD, Industrial Power Rate LP, and Industrial Power Time-of-Day Rate LP-TOD.	
DSM Cost Recovery Component (DSMRC):	
<u>Residential Rate RS</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR):	0.074 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.005 ¢/KWH
DSM Incentive (DSMI):	0.003 ¢/KWH
DSM Balance Adjustment (DBA):	(0.011) ¢/KWH
DSMRC Rate RS:	0.071 ¢/KWH
<u>General Service Rate GS</u>	
DSM Cost Recovery Component (DCR):	0.016 ¢/KWH
DSM Revenues from Lost Sales (DRLS):	0.005 ¢/KWH
DSM Incentive (DSMI):	0.000 ¢/KWH
DSM Balance Adjustment (DBA):	0.007 ¢/KWH
DSMRC Rate GS:	0.028 ¢/KWH

Date of Issue: December 29, 2003
Issued By
Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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DSMRM
Demand-Side Management Cost Recovery Mechanism (Continued)

DSM Cost Recovery Component (DSMRC):
(Continued)

Large Commercial Rate LC
DSM Cost Recovery Component (DCR): 0.007 ¢/kwh
DSM Revenues from Lost Sales (DRLS): 0.003 ¢/kwh
DSM Incentive (DSMI): 0.000 ¢/kwh
DSM Balance Adjustment (DBA): 0.007 ¢/kwh

DSMRC Rate LC: 0.017 ¢/kwh

Large Commercial Time-of-Day Rate LC-TOD

DSM Cost Recovery Component (DCR): Energy Charge
DSM Revenues from Lost Sales (DRLS): 0.005 ¢/kwh
DSM Incentive (DSMI): 0.004 ¢/kwh
DSM Balance Adjustment (DBA): 0.000 ¢/kwh
(0.003) ¢/kwh

DSMRC Rate LC-TOD: 0.006 ¢/kwh

Date of Issued April 8, 2003
Cancelling Fifth Revision of
Original Sheet No. 23-G
Issued November 21, 2002

Date Effective: With Bills Rendered
On and After
April 3, 2003

Issued Pursuant to K.P.S.C. Order of 4/1/03 in Case No. 2003-00089

Michael S. Beer, Vice President
Louisville, Kentucky

DSMRM
Demand-Side Management Cost Recovery Mechanism

DSM Cost Recovery Component (DSMRC):
(Continued)

Large Commercial Rate LC
DSM Cost Recovery Component (DCR): 0.007 ¢/KWH
DSM Revenues from Lost Sales (DRLS): 0.003 ¢/KWH
DSM Incentive (DSMI): 0.000 ¢/KWH
DSM Balance Adjustment (DBA): 0.007 ¢/KWH

DSMRC Rate LC: 0.017 ¢/KWH

Large Commercial Time-of-Day Rate LC-TOD

DSM Cost Recovery Component (DCR): Energy Charge
DSM Revenues from Lost Sales (DRLS): 0.005 ¢/KWH
DSM Incentive (DSMI): 0.004 ¢/KWH
DSM Balance Adjustment (DBA): 0.000 ¢/KWH
(0.003) ¢/KWH

DSMRC Rate LC-TOD: 0.006 ¢/KWH

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

First Revision of Original Sheet No. 23-H
P. S. C. of Ky. Electric No. 5

DSMRM
Demand-Side Management Cost Recovery Mechanism (Continued)

DSM Cost Recovery Component (DSMRC):
(Continued)

Industrial Power Rate LP
DSM Cost Recovery Component (DCR): 0.000 ¢/Kwh
DSM Revenues from Lost Sales (DRLS): 0.000 ¢/Kwh
DSM Incentive (DSMI): 0.000 ¢/Kwh
DSM Balance Adjustment (DBA): 0.000 ¢/Kwh
DSMRC Rate LP: 0.000 ¢/Kwh

Industrial Power Time-of-Day Rate LP-TOD

DSM Cost Recovery Component (DCR): 0.000 ¢/Kwh
DSM Revenues from Lost Sales (DRLS): 0.000 ¢/Kwh
DSM Incentive (DSMI): 0.000 ¢/Kwh
DSM Balance Adjustment (DBA): 0.000 ¢/Kwh
DSMRC Rate LP-TOD: 0.000 ¢/Kwh

Date of Issue: June 29, 2001
Cancelling Original Sheet No. 23-H
Issued September 23, 1998

Issued By

Date Effective: July 1, 2001

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 5/11/01 in Case No. 2000-459

Louisville Gas and Electric Company

Original Sheet No. 71.6
P. S. C. of Ky. Electric No. 6

DSMRM
Demand-Side Management Cost Recovery Mechanism

DSM Cost Recovery Component (DSMRC):
(Continued)

Industrial Power Rate LP
DSM Cost Recovery Component (DCR): 0.000 ¢/KWH
DSM Revenues from Lost Sales (DRLS): 0.000 ¢/KWH
DSM Incentive (DSMI): 0.000 ¢/KWH
DSM Balance Adjustment (DBA): 0.000 ¢/KWH
DSMRC Rate LP: 0.000 ¢/KWH

Industrial Power Time-of-Day Rate LP-TOD

DSM Cost Recovery Component (DCR): 0.000 ¢/KWH
DSM Revenues from Lost Sales (DRLS): 0.000 ¢/KWH
DSM Incentive (DSMI): 0.000 ¢/KWH
DSM Balance Adjustment (DBA): 0.000 ¢/KWH
DSMRC Rate LP-TOD: 0.000 ¢/KWH

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

ECR	
Environmental Cost Recovery Surcharge	
APPLICABLE	In all of the Company's service territory.
AVAILABILITY OF SERVICE	To all electric rate schedules
RATE	The monthly billing amount under each of the schedules to which this mechanism is applicable, including the fuel clause, shall be increased or decreased by a percentage factor calculated in accordance with the following formula. Environmental Surcharge Factor = $E(m) / R(m)$
DEFINITIONS	<p>4) For the 1995 Plan $E(m) = \{(RB/12) (ROR) + OE -BAS\}$</p> <p>a) Where RB is the Environmental Compliance Rate Base, adjusted for eligible Pollution Control Plant in Service and Accumulated Depreciation already included in existing rates.</p> <p>b) Where ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the Weighted Average Cost of Pollution Control Bond Debt.</p> <p>c) Where OE is the Operating Expenses [Depreciation and Amortization Expense, Property and Other Applicable Taxes, Insurance Expense, Emission Allowance Expense, Surcharge Consultant Fee, and Permit Fees; adjusted for the Average Month Expense already included in existing rates].</p> <p>d) Where BAS is the Net Proceeds from By-Product and Allowance Sales.</p> <p>5) For all post-1995 Plans, Post 1995 $E(m) = \{(RB/12) (ROR + DR) (TR / (1 - TR))\} + OE$</p> <p>a) Where RB is the total Environmental Compliance Rate Base, adjusted for eligible Pollution Control Plant in Service, Accumulated Depreciation, and Deferred Taxes already included in existing rates.</p> <p>b) Where ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the overall rate of return [cost of short-term debt, accounts receivable financing, long-term debt, preferred stock, and common equity].</p> <p>c) Where DR is the Debt Rate [cost of short-term debt, accounts receivable financing and long-term debt].</p> <p>d) Where TR is the composite Federal and State Income Tax Rate.</p> <p>e) Where OE is the Operating Expenses [Depreciation and Amortization Expense, Property and Other Applicable Taxes, and Insurance Expense; adjusted for the Average Month Expense already included in existing rates]. Includes operation and maintenance expense associated with NOX control projects, as recorded in Account Nos. 506105 and 512101.</p> <p>6) The sum of the 1995 $E(m)$ and Post 1995 $E(m)$, for each approved environmental compliance plan revenue requirement of environmental compliance costs is multiplied by the Jurisdictional Allocation Factor to arrive at the Net Jurisdictional $E(m)$.</p> <p>7) The revenue $R(m)$ is the average monthly revenue, including base revenues and automatic adjustment clause revenues less Environmental Cost Recovery Surcharge revenues, for the Company for the 12 months ending with the current expense month.</p> <p>8) Current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.</p>

Date of Issue: February 21, 2003
 Issued By: Michael S. Beer, Vice President
 Louisville, Kentucky
 Issued Pursuant to K.P.S.C. Order of 2/11/03 in Case No. 2002-147
 Date Effective: April 1, 2003

ECR	
Environmental Cost Recovery Surcharge	
APPLICABLE	In all territory served.
AVAILABILITY OF SERVICE	To all electric rate schedules
RATE	The monthly billing amount under each of the schedules to which this mechanism is applicable, including the fuel clause, shall be increased or decreased by a percentage factor calculated in accordance with the following formula. Environmental Surcharge Factor = $E(m) / R(m)$
DEFINITIONS	<p>Where $E(m)$ is the jurisdictional total of each approved environmental compliance plan revenue requirement of environmental compliance costs for the current expense month and $R(m)$ is the revenue for the current expense month as set forth below.</p> <p>1) For the 1995 Plan $E(m) = \{(RB/12) (ROR) + OE -BAS\}$</p> <p>a) Where RB is the Environmental Compliance Rate Base, adjusted for eligible Pollution Control Plant in Service and Accumulated Depreciation already included in existing rates.</p> <p>b) Where ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the Weighted Average Cost of Pollution Control Bond Debt.</p> <p>c) Where OE is the Operating Expenses [Depreciation and Amortization Expense, Property and Other Applicable Taxes, Insurance Expense, Emission Allowance Expense, Surcharge Consultant Fee, and Permit Fees; adjusted for the Average Month Expense already included in existing rates].</p> <p>d) Where BAS is the Net Proceeds from By-Product and Allowance Sales.</p> <p>2) For all post-1995 Plans, Post 1995 $E(m) = \{(RB/12) (ROR + DR) (TR / (1 - TR))\} + OE$</p> <p>a) Where RB is the total Environmental Compliance Rate Base, adjusted for eligible Pollution Control Plant in Service, Accumulated Depreciation, and Deferred Taxes already included in existing rates.</p> <p>b) Where ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the overall rate of return [cost of short-term debt, accounts receivable financing, long-term debt, preferred stock, and common equity].</p> <p>c) Where DR is the Debt Rate [cost of short-term debt, accounts receivable financing and long-term debt].</p> <p>d) Where TR is the composite Federal and State Income Tax Rate.</p> <p>e) Where OE is the Operating Expenses [Depreciation and Amortization Expense, Property and Other Applicable Taxes, and Insurance Expense; adjusted for the Average Month Expense already included in existing rates]. Includes operation and maintenance expense associated with NOX control projects, as recorded in Account Nos. 506105 and 512101.</p> <p>3) The sum of the 1995 $E(m)$ and Post 1995 $E(m)$, for each approved environmental compliance plan revenue requirement of environmental compliance costs is multiplied by the Jurisdictional Allocation Factor to arrive at the Net Jurisdictional $E(m)$.</p>

Date of Issue: December 29, 2003
 Issued By: Michael S. Beer, Vice President
 Louisville, Kentucky
 Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 72.1
P.S.C. of Ky. Electric No. 6

ECR

Environmental Cost Recovery Surcharge

- 4) The revenue $R(m)$ is the average monthly revenue, including base revenues and automatic adjustment clause revenues less Environmental Cost Recovery Surcharge revenues, for the Company for the 12 months ending with the current expense month.
- 5) Current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

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Date of issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Second Revision of Original Sheet No. 23-M
P.S.C. of Ky. Electric No. 5

STANDARD RIDER
MSR
Merger Surcredit Rider

AVAILABILITY
In all territory served.

APPLICABLE

To all electric rate schedules excluding those customers receiving their one-time payment of the surcredit amount under the settlement agreement in PSC Case No. 2002-00430.

SURCREDIT

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Merger Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Merger Surcredit Factor} = \text{MS} + \text{BA}$$

Where:

(MS) is the Merger Surcredit which is based on the total Company savings that are to be distributed to Company's customers in each 12-month period beginning July 1, 1998.

	Savings to be Distributed	Merger Surcredit (MS)
Year 1	\$ 6,183,320	1.109%
Year 2	9,018,830	1.587%
Year 3	12,168,065	2.103%
Year 4	13,355,755	2.265%
Year 5	14,702,775	2.451%
Year 6	18,045,255	3.185%*
Year 7	18,045,255	3.129%
Year 8	18,045,255	3.052%
Year 9	18,045,255	3.001%
Year 10	18,045,255	2.954%

*Reflects the average factor for the year. Actual application determined by the Final Order in PSC Case No. 2002-00430.

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Merger Surcredit Factor from the previous year by the expected retail sales revenue. The final Balancing Adjustment will be applied to customer billings in the second month following the tenth distribution year.

Date of Issue: November 3, 2003
Cancelling First Revision of Original Sheet No. 23-M
Issued January 13, 2003

Issued By: October 16, 2003

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order Dated October 16, 2003 in Case No. 2002-00430

Louisville Gas and Electric Company

Original Sheet No. 73
P.S.C. of Ky. Electric No. 6

STANDARD RIDER
MSR
Merger Surcredit Rider

AVAILABILITY
In all territory served.

APPLICABILITY OF SERVICE

To all electric rate schedules excluding those customers receiving their one-time payment of the surcredit amount under the settlement agreement in PSC Case No. 2002-00430.

SURCREDIT

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Merger Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Merger Surcredit Factor} = \text{MS} + \text{BA}$$

Where:

(MS) is the Merger Surcredit which is based on the total Company savings that are to be distributed to Company's customers in each 12-month period beginning July 1, 1998.

	Savings to be Distributed	Merger Surcredit (MS)
Year 1	\$ 6,183,320	1.109%
Year 2	9,018,830	1.587%
Year 3	12,168,065	2.103%
Year 4	13,355,755	2.265%
Year 5	14,702,775	2.451%
Year 6	18,045,255	3.185%*
Year 7	18,045,255	3.129%
Year 8	18,045,255	3.052%
Year 9	18,045,255	3.001%
Year 10	18,045,255	2.954%

* Reflects the average factor for the year. Actual application determined by the Final Order in PSC Case No. 2002-00430.

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Merger Surcredit Factor from the previous year by the expected retail sales revenue. The final Balancing Adjustment will be applied to customer billings in the second month following the tenth distribution year.

Date of Issue: December 29, 2003

Issued By: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

First Revision of Original Sheet No. 23-N
P.S.C. of Ky. Electric No. 5

STANDARD RIDER

MSR

Merger Surcredit Rider

TERMS OF DISTRIBUTION

1. The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
2. On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over- or under distributions.
3. The Merger Surcredit shall be applied to the customer's bill following the rates and charges for electric service, but before application of the school tax, the franchise fee, sales tax or other similar items.
4. The Company shall file a plan with the PSC midway through Year 10 of this schedule to address the future disposition of the Merger Surcredit and pending a final order from the Commission in that proceeding, the Merger Surcredit shall remain in effect.

Date of Issue: November 3, 2003
Cancelling First Revision of
Original Sheet No. 23-N
Issued January 13, 2003

Issued By

Date Effective: October 16, 2003

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order Dated October 16, 2003 in Case No. 2002-00430

Louisville Gas and Electric Company

Original Sheet No. 73.1
P.S.C. of Ky. Electric No. 6

STANDARD RIDER

MSR

Merger Surcredit Rider

TERMS OF DISTRIBUTION

1. The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
2. On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over- or under distributions.
3. The Merger Surcredit shall be applied to the customer's bill following the rates and charges for electric service, but before application of the school tax, the franchise fee, sales tax or other similar items.
4. The Company shall file a plan with the PSC midway through Year 10 of this schedule to address the future disposition of the Merger Surcredit and pending a final order from the Commission in that proceeding, the Merger Surcredit shall remain in effect.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE **ESM**
Earnings Sharing Mechanism

APPLICABLE

In all territory served by the Company.

AVAILABILITY OF SERVICE

To all electric rate schedules, excluding the Rider for Interruptible Service.

RATE

The monthly billing amount computed under each of the rate schedules to which this mechanism is applicable, the associated Fuel Adjustment Clause billing, the associated Environmental Surcharge billing, and the associated Merger Surcredit Rider billing shall be adjusted by a percentage factor which shall be calculated in accordance with the following formula:

$$\text{Earning Sharing Mechanism Factor} \quad \text{ESMF} = (\text{RA} + \text{BA}) / \text{AR} \quad \%$$

Where:

(RA) is the Revenue Adjustment from the Current Reporting Period.

(BA) is the Balancing Adjustment which reconciles any over- or under-provision of the RA from the Prior Adjustment Year.

(AR) is the Actual Revenue for Current Reporting Year.

DEFINITIONS:

- (1) Current Reporting Period shall be a calendar year.
- (2) Prior Reporting Period shall be the calendar year immediately preceding the Current Reporting Period.
- (3) Current Adjustment Year shall be the twelve months beginning with the first April billing cycle following the Current Reporting Period.
- (4) Prior Adjustment Year shall be the twelve months ending on the last March billing cycle following the Current Reporting Period.

TERMS AND CONDITIONS

- (1) The operation and calculations associated with the Earnings Sharing Mechanism shall be pursuant to the Commission's Orders in P.S.C. Case Nos. 98-426 and 2001-054.
- (2) An Earnings Sharing Mechanism Report will be filed on the 1st of March following a Current Reporting Period. The first Current Reporting Period subject to this tariff shall be the calendar year 2000.

Date of Issue: March 12, 2002
Cancelling First Revision of
Original Sheet No. 23-O
Issued June 16, 2000

Issued By
Michael S. Bear, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of 12/02/01 in Case No. 2001-054

Date Effective: April 12, 2002

ESM
Earnings Sharing Mechanism

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To all electric rate schedules, excluding the Rider for Curtailable Service.

RATE

The monthly billing amount computed under each of the rate schedules to which this mechanism is applicable, the associated Fuel Adjustment Clause billing, the associated Environmental Surcharge billing, and the associated Merger Surcredit Rider billing shall be adjusted by a percentage factor which shall be calculated in accordance with the following formula:

$$\text{Earning Sharing Mechanism Factor} \quad \text{ESMF} = (\text{RA} + \text{BA}) / \text{AR} \quad \%$$

Where:

(RA) is the Revenue Adjustment from the Current Reporting Period.

(BA) is the Balancing Adjustment which reconciles any over- or under-provision of the RA from the Prior Adjustment Year.

(AR) is the Actual Revenue for Current Reporting Year.

DEFINITIONS:

- (1) Current Reporting Period shall be a calendar year.
- (2) Prior Reporting Period shall be the calendar year immediately preceding the Current Reporting Period.
- (3) Current Adjustment Year shall be the twelve months beginning with the first April billing cycle following the Current Reporting Period.
- (4) Prior Adjustment Year shall be the twelve months ending on the last March billing cycle following the Current Reporting Period.

TERMS AND CONDITIONS

- (1) The operation and calculations associated with the Earnings Sharing Mechanism shall be pursuant to the Commission's Orders in P.S.C. Case Nos. 98-426 and 2001-054.
- (2) An Earnings Sharing Mechanism Report will be filed on the 1st of March following a Current Reporting Period. The first Current Reporting Period subject to this tariff shall be the calendar year 2000.

Date of Issue: December 29, 2003

Issued By
Michael S. Bear, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Second Revision of Original Sheet No. 23-P
P.S.C. of Ky. Electric No. 5

STANDARD RATE SCHEDULE ESM
Earnings Sharing Mechanism

- (3) The Earnings Sharing Mechanism Report's determination of the return on equity will
- exclude all revenues and expenses associated with the Fuel Adjustment Clause and the Environmental Surcharge,
 - contain a threshold of 11.5% return on equity with a symmetrical deadband of 100 basis points above and below the threshold, and
 - share any revenue surplus or deficit outside of the deadband, 60% LG&E and 40% ratepayers.
- (4) The Earnings Sharing Mechanism Report will contain
- the calculation of the adjusted revenues, expenses and net operating income. These calculations will recognize the effect of the Commission's final order in Case Nos. 98-426, 2001-054, and 2002-00071. Revenues will be adjusted for off-system sales. Filings would recognize adjustments to reflect the shareholders' portion of LG&E's merger savings and the elimination of advertising expenses pursuant to KAR 807 5:016.
 - the calculation of the adjusted capitalization, capital structure, and the cost rates for debt and preferred stock.
 - the calculation of the rate of return on common equity reflecting the adjusted net operating income, the adjusted capitalization, adjusted capital structure, and the Current Reporting Period cost rates for debt and preferred stock.
 - the calculation of the revenue requirement for the Current Reporting Period based on the upper and lower points of the deadband. This calculation will reflect the adjusted financial data described above.
 - a comparison of the adjusted net operating income to the upper and lower point revenue requirements, a calculation of the amount of sharing with or collection from (Revenue Adjustment) ratepayers, and a determination of the Earnings Sharing Mechanism Factor to be applied to ratepayers' bills. The Revenue Adjustment used to compute the Earnings Sharing Mechanism Factor will be applied in the first April billing cycle following the Current Reporting Period, if applicable.
- (5) The Balancing Adjustment will be used to compute the Earnings Sharing Mechanism Factor to be applied in the second through twelfth months of the Current Adjustment Year. This calculation will be filed ten days prior to the first billing cycle of the second month of the Current Adjustment Year.
- (6) This schedule will be subject to Commission audit at the beginning of the third Current Reporting Period, 2002, and is effective for the Current Reporting Periods 2003, 2004, and 2005. Should the Commission order the Earnings Sharing Mechanism cease to be effective, the Earnings Sharing Mechanism will be withdrawn with completion of application of a final Balancing Adjustment.

Date of Issue: January 7, 2003
Canceling Third Revision of Original Sheet No. 23-PQ
Issued October 28, 2002

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: With Bills Rendered On and After
December 26, 2002

Issued Pursuant to K.P.S.C. Order dated 12/20/02 in Case No. 2002-00473

Louisville Gas and Electric Company

Original Sheet No. 74-1
P.S.C. of Ky. Electric No. 6

ESM
Earnings Sharing Mechanism

- (3) The Earnings Sharing Mechanism Report's determination of the return on equity will
- exclude all revenues and expenses associated with the Fuel Adjustment Clause and the Environmental Surcharge,
 - contain a threshold of 11.5% return on equity with a symmetrical deadband of 100 basis points above and below the threshold, and
 - share any revenue surplus or deficit outside of the deadband, 60% LG&E and 40% ratepayers.
- (4) The Earnings Sharing Mechanism Report will contain
- the calculation of the adjusted revenues, expenses and net operating income. These calculations will recognize the effect of the Commission's final order in Case Nos. 98-426, 2001-054, and 2002-00071. Revenues will be adjusted for off-system sales. Filings would recognize adjustments to reflect the shareholders' portion of LG&E's merger savings and the elimination of advertising expenses pursuant to KAR 807 5:016.
 - the calculation of the adjusted capitalization, capital structure, and the cost rates for debt and preferred stock.
 - the calculation of the rate of return on common equity reflecting the adjusted net operating income, the adjusted capitalization, adjusted capital structure, and the Current Reporting Period cost rates for debt and preferred stock.
 - the calculation of the revenue requirement for the Current Reporting Period based on the upper and lower points of the deadband. This calculation will reflect the adjusted financial data described above.
 - a comparison of the adjusted net operating income to the upper and lower point revenue requirements, a calculation of the amount of sharing with or collection from (Revenue Adjustment) ratepayers, and a determination of the Earnings Sharing Mechanism Factor to be applied to ratepayers' bills. The Revenue Adjustment used to compute the Earnings Sharing Mechanism Factor will be applied in the first April billing cycle following the Current Reporting Period, if applicable.
- (5) The Balancing Adjustment will be used to compute the Earnings Sharing Mechanism Factor to be applied in the second through twelfth months of the Current Adjustment Year. This calculation will be filed ten days prior to the first billing cycle of the second month of the Current Adjustment Year.
- (6) This schedule will be subject to Commission audit at the beginning of the third Current Reporting Period, 2002, and is effective for the Current Reporting Periods 2003, 2004, and 2005. Should the Commission order the Earnings Sharing Mechanism cease to be effective, the Earnings Sharing Mechanism will be withdrawn with completion of application of a final Balancing Adjustment.

Date of Issue: December 29, 2003

Issued By
Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

First Revision of Original Sheet No. 23-Q
P.S.C. of Ky. Electric No. 5

STANDARD RIDER

VDSR

Value Delivery Surcredit Rider

APPLICABLE
In all territory served by the Company.

AVAILABILITY OF SERVICE
To all electric rate schedules.

RATE

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Value Delivery Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Value Delivery Surcredit Factor} = \text{VDS} + \text{BA}$$

Where:
(VDS) is the Value Delivery Surcredit which is based on the total Company net savings that are to be distributed to the Company's customers in each 12-month period.

	Net Savings to be Distributed	Value Delivery Surcredit (VDS)
Year 1, Dec 1, 2001 to Dec 31, 2001	\$1,080,000	2.82%
Year 2, Jan 1, 2002 to Dec 31, 2002	\$1,120,000	0.20%
Year 3, Jan 1, 2003 to Dec 31, 2003	\$4,640,000	0.77%
Year 4, Jan 1, 2004 to Dec 31, 2004	\$5,640,000	0.90%
Year 5, Jan 1, 2005 to Dec 31, 2005	\$6,680,000	1.04%
Year 6, Jan 1, 2006 to Mar 31, 2006	\$1,760,000	1.23%

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Value Delivery Surcredit Factor from the previous year by the expected retail electric revenues. The final Balancing Adjustment will be applied to customer billings in the second month following the fifth distribution year.

TERMS OF DISTRIBUTION

- (1) The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
- (2) In the event that the actual net savings to the customers differs from the values shown under "Net Savings to be Distributed" an adjustment shall be made to Year 6 via the Balancing Adjustment. The determination of any such adjustment shall be reported to the Commission when it becomes available.
- (3) On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over- or under-distributions.
- (4) The Value Delivery Surcredit shall be applied to the customer's bill following the rates and charges for electric service, but before application of the school tax, the franchise fee, sales tax or similar items.
- (5) The Value Delivery Surcredit shall be withdrawn with application of the final Balancing Adjustment following Year 6.

Date of Issue: January 21, 2002
Cancelling Original Sheet No. 23-Q
Issued December 1, 2001

Issued By

Date Effective: With Bills Rendered On and After December 3, 2001

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 12/5/01 in Case No. 2001-169

Louisville Gas and Electric Company

Original Sheet No. 75
P.S.C. of Ky. Electric No. 6

VDSR

Value Delivery Surcredit Rider

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
To all electric rate schedules.

RATE

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Value Delivery Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Value Delivery Surcredit Factor} = \text{VDS} + \text{BA}$$

Where:
(VDS) is the Value Delivery Surcredit which is based on the total Company net savings that are to be distributed to the Company's customers in each 12-month period.

	Net Savings to be Distributed	Value Delivery Surcredit (VDS)
Year 1, Dec 1, 2001 to Dec 31, 2001	\$1,080,000	2.82%
Year 2, Jan 1, 2002 to Dec 31, 2002	\$1,120,000	0.20%
Year 3, Jan 1, 2003 to Dec 31, 2003	\$4,640,000	0.77%
Year 4, Jan 1, 2004 to Dec 31, 2004	\$5,640,000	0.90%
Year 5, Jan 1, 2005 to Dec 31, 2005	\$6,680,000	1.04%
Year 6, Jan 1, 2006 to Mar 31, 2006	\$1,760,000	1.23%

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Value Delivery Surcredit Factor from the previous year by the expected retail electric revenues. The final Balancing Adjustment will be applied to customer billings in the second month following the fifth distribution year.

TERMS OF DISTRIBUTION

- (1) The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
- (2) In the event that the actual net savings to the customers differs from the values shown under "Net Savings to be Distributed" an adjustment shall be made to Year 6 via the Balancing Adjustment. The determination of any such adjustment shall be reported to the Commission when it becomes available.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 75.1
P.S.C. of Ky. Electric No. 6

VDSR

Value Delivery Surcredit Rider

- (3) On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under-distributions.
- (4) The Value Delivery Surcredit shall be applied to the customer's bill following the rates and charges for electric service, but before application of the school tax, the franchise fee, sales tax or similar items.
- (5) The Value Delivery Surcredit shall be withdrawn with application of the final Balancing Adjustment following Year 6.

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Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

First Revision of Original Sheet No. 23-J
P.S.C. of Ky. Electric No. 5

STANDARD RIDER

Franchise Fee Rider

APPLICABLE

In all areas within the Company's service territory.

AVAILABILITY OF SERVICE

Available as an option for collection of revenues within governmental jurisdictions which impose on the Company franchise fees, permitting fees, local taxes or other charges by ordinance, franchise, or other governmental directive and not otherwise collected in the charges of the Company's base rate schedules.

DEFINITIONS

Base Year - the twelve month period ending November 30.
Collection Year - the full calendar year following the Base Year.
Base Year Amount -

- 1) a percentage of revenues, as determined in the franchise agreement, for the Base Year; and
- 2) license fees, permit fees, or other costs specifically borne by the Company for the purpose of maintaining the franchise as incurred in the Base Year and applicable specifically to the Company by ordinance or franchise for operation and maintenance of its facilities in the franchise area, including but not limited to costs incurred by the Company as a result of governmental regulation or directives requiring construction or installation of facilities beyond that normally provided by the Company in accordance with applicable Rules and Regulations approved by and under the direction of the Kentucky Public Service Commission; and
- 3) any adjustment for over or under collection of revenues associated with the amounts in 1) or 2).

RATE

The franchise percentage will be calculated by dividing the Base Year amount by the total revenues in the Base Year for the franchise area. The franchise percentage will be monitored during the Collection Year and adjusted to recover the Base Year Amount in the Collection Year as closely as possible.

BILLING

- 1) The franchise charge will be applied exclusively to the base rate and all riders of bills of customers receiving service within the franchising governmental jurisdiction, before taxes.
- 2) The franchise charge will appear as a separate line item on the Customer's bill and show the unit of government requiring the franchise.
- 3) Payment of the collected franchise charges will be made to the governmental franchising body as agreed to in the franchise agreement.

TERM OF CONTRACT

As agreed to in the franchise agreement. In the event such franchise agreement should lapse but payment of franchise fees, other local taxes, or permitting fees paid by the Company by ordinance, franchise, or other governmental directive should continue, collection shall continue under this tariff.

RULES AND REGULATIONS

Service will be furnished in accordance with the provisions of the franchise agreement in so far as those provisions do not conflict with the Rules and Regulations applicable to the Company approved by and under the direction of the Kentucky Public Service Commission

Date of Issue: November 2, 2003
Cancelling Original Sheet No. 23-J
Issued May 11, 1995

Issued By

Date Effective: October 16, 2003

Michael S. Beer, Vice President

Issued Pursuant to K.P.S.C. Order Dated October 16, 2003 in Case No. 2003-00267

Louisville Gas and Electric Company

Original Sheet No. 76
P.S.C. of Ky. Electric No. 6

STANDARD RIDER

Franchise Fee Rider

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available as an option for collection of revenues within governmental jurisdictions which impose on the Company franchise fees, permitting fees, local taxes or other charges by ordinance, franchise, or other governmental directive and not otherwise collected in the charges of the Company's base rate schedules.

DEFINITIONS

Base Year - the twelve month period ending November 30.
Collection Year - the full calendar year following the Base Year.
Base Year Amount -

- 1) a percentage of revenues, as determined in the franchise agreement, for the Base Year; and
- 2) license fees, permit fees, or other costs specifically borne by the Company for the purpose of maintaining the franchise as incurred in the Base Year and applicable specifically to the Company by ordinance or franchise for operation and maintenance of its facilities in the franchise area, including but not limited to costs incurred by the Company as a result of governmental regulation or directives requiring construction or installation of facilities beyond that normally provided by the Company in accordance with applicable Rules and Regulations approved by and under the direction of the Kentucky Public Service Commission; and
- 3) any adjustment for over or under collection of revenues associated with the amounts in 1) or 2).

RATE

The franchise percentage will be calculated by dividing the Base Year amount by the total revenues in the Base Year for the franchise area. The franchise percentage will be monitored during the Collection Year and adjusted to recover the Base Year Amount in the Collection Year as closely as possible.

BILLING

- 1) The franchise charge will be applied exclusively to the base rate and all riders of bills of customers receiving service within the franchising governmental jurisdiction, before taxes.
- 2) The franchise charge will appear as a separate line item on the Customer's bill and show the unit of government requiring the franchise.
- 3) Payment of the collected franchise charges will be made to the governmental franchising body as agreed to in the franchise agreement.

TERM OF CONTRACT

As agreed to in the franchise agreement. In the event such franchise agreement should lapse but payment of franchise fees, other local taxes, or permitting fees paid by the Company by ordinance, franchise, or other governmental directive should continue, collection shall continue under this tariff.

TERMS AND CONDITIONS

Service will be furnished in accordance with the provisions of the franchise agreement in so far as those provisions do not conflict with the Terms and Conditions applicable to the Company approved by and under the direction of the Kentucky Public Service Commission.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 77
P.S.C. of Ky. Electric No. 6

STANDARD RIDER

ST
School Tax

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

This schedule is applied as a rate increase to all other schedulees pursuant to KRS 160.617 for the recovery by the utility of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

RATE

The utility gross receipts license tax imposed by the county but not to exceed 3%.

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Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 80
P.S.C. of Ky. Electric No. 6

TERMS AND CONDITIONS
Customer Bill of Rights

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations.

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate distinct disconnect notice alerting you to a possible disconnection of your service, if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days, you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March.
 - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
 - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
 - 3) Accept referral to the Human Resources' Weatherization Program, and
 - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.
- If you have been disconnected due to non-payment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
 - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
 - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
 - 3) Accept referral to the Human Resources' Weatherization Program, and
 - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.
- You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (call Toll Free 1-800-772-4636).

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Data of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS

General

COMMISSION RULES AND REGULATIONS

All electric service supplied by the Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

COMPANY TERMS AND CONDITIONS.

In addition to the rules and regulations of the Commission, all electric service supplied by the Company shall be in accordance with these "Terms and Conditions," which shall constitute a part of all applications and contracts for service.

RATES, TERMS AND CONDITIONS ON FILE

A copy of the rate schedules, terms, and conditions under which electric service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, terms and conditions, together with the law, rules, and regulations of the Commission, is available for public inspection in each office of the Company where bills may be paid.

ASSIGNMENT

No order for service, agreement or contract for service may be assigned or transferred without the written consent of the Company.

RENEWAL OF CONTRACT

If, upon the expiration of any service contract for a specified term, the customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one year each, subject to termination at the end of any year upon 30 days prior written notice by either party.

AGENTS CANNOT MODIFY AGREEMENT WITHOUT CONSENT OF P.S.C. OF KY.

No agent has power to amend, modify, alter, or waive any of these TERMS AND CONDITIONS, or to bind the Company by making any promises or representations not contained herein.

SUPERSEDE PREVIOUS TERMS AND CONDITIONS

These TERMS AND CONDITIONS supersede all TERMS AND CONDITIONS under which the Company has previously supplied electric service.

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Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
Customer Responsibilities

APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before the Company is obligated to render electric service. The Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using electric service is clearly outside the scope of Company's standard rate schedules, Company may establish special contracts giving effect to such unusual circumstances.

TRANSFER OF APPLICATION

Applications for electric service are not transferable and new occupants of premises will be required to make application for service before commencing the use of electricity. Customers who have been receiving electric service shall notify the Company when discontinuance of service is desired, and shall pay for all electric service furnished until such notice has been given and final meter readings made by the Company.

OPTIONAL RATES

If two or more rate schedules are available for the same class of service, it is the customer's responsibility to determine the options available and to designate the schedule under which he desires to receive service.

The Company will, at any time, upon request, advise any Customer as to the most advantageous rate for existing or anticipated service requirements as defined by the Customer, but the Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

In those cases in which the most favorable rate is difficult to predetermine, the customer will be given the opportunity to change to another schedule, unless otherwise prevented by the rate schedule under which the Customer is currently served, after trial of the schedule originally designated; however, after the first such change, the Company shall not be required to make a change in schedule more often than once in twelve months.

From time to time, the Customer should investigate his operating conditions to determine a desirable change from one available rate to another. The Company, lacking knowledge of changes that may occur at any time in the Customer's operating conditions, does not assume responsibility that Customers will at all times be served under the most beneficial rate.

In no event will the Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.

CUSTOMER'S EQUIPMENT AND INSTALLATION

The customer shall furnish, install and maintain at his expense all electrical apparatus and wiring to connect with Company's service drop or service line. All such apparatus and wiring shall be

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Michael S. Bear, Vice President
Louisville, Kentucky

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TERMS AND CONDITIONS
Customer Responsibilities

Installed and maintained in conformity with applicable statutes, laws or ordinances and with the rules and regulations of the constituted authorities having jurisdiction. The customer shall not install wiring or connect and use any motor or other electricity-using device which in the opinion of the Company is detrimental to its electric system or to the service of other customers of the Company. The Company assumes no responsibility whatsoever for the condition of the customer's electrical wiring, apparatus, or appliances, nor for the maintenance or removal of any portion thereof.

OWNER'S CONSENT TO OCCUPY

The Customer shall grant easements and rights-of-way on and across Customer's property at no cost to the Company.

ACCESS TO PREMISES AND EQUIPMENT

The Company shall have the right of access to the customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of electric service or for the purpose of turning on and shutting off the supply of electricity when necessary and for all other proper purposes. The customer shall not construct or permit the construction of any structure or device which will restrict the access of the Company to its equipment for any of the above purposes.

PROTECTION OF COMPANY'S PROPERTY

Customers will be held responsible for tampering, interfering with, breaking of seals of meters, or other equipment of the Company installed on the Customer's premises, and will be held liable for same according to law. The Customer hereby agrees that no one except the employees of the Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of the Company. Upon the absence of an active account, the property owner assumes responsibility for any consumption and the Company's property and service.

POWER FACTOR

The Company installs facilities to supply power to the Customer at or near unity power factor.

The Company expects Customer to use apparatus which shall result in a power factor near unity. However, the Company will permit the use of apparatus which shall result, during normal operation, in a power factor not lower than 90 percent either lagging or leading.

Where the Customer's power factor is less than 90 percent, the Company reserves the right to require the Customer to furnish, at his own expense, suitable corrective equipment to maintain a power factor of 90 percent or higher.

EXCLUSIVE SERVICE ON INSTALLATION CONNECTED

Electric service shall not be used for purposes other than as set forth in customer's application or contract.

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Louisville, Kentucky

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TERMS AND CONDITIONS
Customer Responsibilities

Except in cases where the Customer has contract with the company for reserve or auxiliary service, no other electric light or power service will be used by the Customer on the same installation in conjunction with the Company's service, either by means of a throw-over switch or any other connection.

LIABILITY

The Customer assumes all responsibility for the electric service upon the Customer's premises at and from the point of delivery of electricity and for the wires and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the Customer's premises or at and from the point of delivery of electricity, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company.

NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service connections, transformers, meters, and appurtenances supplied by Company for the rendition of electric service to its customers have a definite capacity which may not be exceeded without damage. In the event that the customer contemplates any material increase in his connected load, whether in a single increment or over an extended period, he shall immediately give the Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice the customer may be held liable for any damage done to meters, transformers, or other equipment of the Company caused by such material increase in the customer's connected load.

PERMITS

The customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give the Company or its agents access to the customer's premises and equipment and to enable its service to be connected therewith. In case the customer is not the owner of the premises or of intervening property between the premises and the Company's distribution lines the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and in or about such intervening property of all such wiring or other customer-owned electrical equipment as may be necessary or convenient for the supply of electric service to customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, the Company shall obtain the aforementioned consent.

The construction of electric facilities to provide service to a number of customers in a manner consistent with good engineering practice and the least public inconvenience sometimes requires that certain wires, guys, poles, or other appurtenances on a customer's premises be used to supply service to neighboring customers. Accordingly, each customer taking Company's electric service shall grant to Company such rights on or across his or her premises as may be necessary to furnish service to neighboring premises, such rights to be exercised by the Company in a reasonable manner and with due regard for the convenience of the customer.

The Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under the customer's application until a reasonable time after such permits are granted.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 83
P.S.C. of Ky. Electric No. 6

TERMS AND CONDITIONS
Company Responsibilities

METERING

The electricity used will be measured by a meter or meters to be furnished and installed by the Company at its expense and all bills will be calculated upon the registration of said meters. When service is supplied by Company at more than one delivery point on the same premises, each delivery point will be metered and billed separately on the rate applicable. Meters include all measuring instruments. Meters will be located outside whenever possible. Otherwise, meters will be located as near as possible to the service entrance and on the ground floor of the building, in a clean, dry, safe and easily accessible place, free from vibration, agreed to by the Company.

POINT OF DELIVERY OF ELECTRICITY

The point of delivery of electrical energy supplied by the Company shall be at the point, as designated by the Company, where Company's facilities are connected with the facilities of the customer, irrespective of the location of the meter.

EXTENSION OF SERVICE

The main transmission lines of the Company, or branches thereof, will be extended to such points as provide sufficient load to justify such extensions or in lieu of sufficient load, the Company may require such definite and written guarantees from a Customer, or group of Customers, in addition to any minimum payments required by the Tariff as may be necessary. This requirement may also be made covering the repayment, within a reasonable time, of the cost of tapping such existing lines for light or power service or both.

COMPANY'S EQUIPMENT AND INSTALLATION

The Company will furnish, install, and maintain at its expense the necessary overhead service drop or service line required to deliver electricity to the customer's electric facilities at the voltage contracted for.

The Company will furnish, install, and maintain at its expense the necessary meter or meters. (The term meter as used here and elsewhere in these rules and regulations shall be considered to include all associated instruments and devices, such as current and potential transformers, installed for the purpose of measuring deliveries of electricity to the customer.) Suitable provision for the Company's meter, including an adequate protective enclosure for the same if required, shall be made by the customer. Title to the meter shall remain in the Company, with the right to install, operate, maintain, and remove same. The customer shall protect such property of the Company from loss or damage, and no one who is not an agent of the Company shall be permitted to remove, damage or tamper with the same. The customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:008, Section 13(4), a reasonable time shall be allowed subsequent to customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish the Company with realistic estimates of prospective electricity requirements.

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Date of Issue: December 29, 2003

Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
Company Responsibilities

COMPANY NOT LIABLE FOR INTERRUPTIONS.

The Company will exercise reasonable care and diligence in an endeavor to supply service continuously and without interruption but does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of electric service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of the Company.

COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

The Company is merely a supplier of electricity delivered to the point of connection of Company's and the customer's facilities, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of the customer or of third persons resulting from the presence, use or abuse of electricity on the customer's premises or resulting from defects in or accidents to any of customer's wiring, equipment, apparatus, or appliances, or resulting from any cause whatsoever other than the negligence of the Company.

LIABILITY

In no event shall the Company have any liability to the Customer or any other party affected by the electrical service to the Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to the Customer or any other party. In the event that the Customer's use of the Company's service causes damage to the Company's property or injuries to persons, the Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold the Company harmless from any and all suits, claims, losses, and expenses associated therewith.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 84
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TERMS AND CONDITIONS
Character of Service

The Company supplies alternating current with a nominal frequency of 60 cycles per second. Direct current service, which has been supplied to a limited number of customers in a limited area, is not available for any new connection nor for any increase in the capacity of existing direct current loads.

Company's electric service is supplied at the following nominal voltages and phases:

SECONDARY DISTRIBUTION VOLTAGES

Residential Service.

Single phase 120/240 volts three-wire service or 120/208Y volts three-wire where network system is used.

Commercial and Industrial Service.

Single Phase 120/240 volts three wire. Three phase 240 volts three wire, 480 volts three wire, 120/208Y volts four wire or 277/480Y volts four wire.

PRIMARY DISTRIBUTION VOLTAGES

According to location, 2400/4160Y volts, 7200/12,470Y volts, 13,800 volts, or 34,500 volts.

TRANSMISSION LINE VOLTAGES

68,000 volts, 138,000 volts, or 345,000 volts.

The voltage available to any individual customer shall depend upon the voltage of the Company's lines serving the area in which such customer's electric load is located.

APPLICATION OF SERVICE VOLTAGE DIFFERENTIALS

To be eligible for the rate applicable to any voltage level other than distribution secondary voltage, a customer must furnish and maintain complete substation structure, transformers, and other equipment necessary to take service at the distribution primary or transmission line voltage available at point of connection. In the event Company is required to provide a transformer station to reduce an available voltage to a lower voltage for delivery to a customer, the customer shall be served at the rate applicable to the lower voltage; provided, however, that if the same rate is applicable to both the available voltage and the delivery voltage, the rate will be applied as though the customer were served at the next lower voltage classification from that of the actual delivery voltage. The available voltage shall be the voltage on that distribution or transmission line which the Company designates as being suitable from the standpoint of capacity and other operating characteristics for supplying the requirements of the customer.

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
Residential Rate Specific Terms and Conditions

Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances, and other domestic purposes.

1. Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, the Company will require, as a condition precedent to the application of the residential rate, that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Customer, the Company will allow service to two or more families to be taken through one meter, but in this event the energy blocks and minimum bills of the applicable residential rate shall be multiplied by the number of families thus served, such number of families to be determined on the basis of the number of kitchens in the building. At the Customer's option, in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to one Customer at an appropriate non-residential rate, under a general service rate applicable.
2. Single family unit service shall include usage of electric energy customarily incidental to home occupations, such as the office of a physician, surgeon, dentist, musician or artist when such occupation is carried on by the Customer in his residence.
3. A residential building used by a single family as a home, which is also used to accommodate roomers or boarders for compensation, will be billed at the residential rate provided it does not exceed 12 rooms in size. Such a residential building of more than twelve rooms used to accommodate roomers or boarders for compensation will be classified as commercial and billed on the appropriate at commercial or general service rates. In determining the room rating of rooming and boarding houses, all wired rooms shall be counted except hallways, vestibules, alcoves, closets, bathrooms, lavatories, garrets, attics, storage rooms, trunk rooms, basements, cellars, porches and private garages.
4. Service used in residential buildings occupied by fraternity or sorority organizations associated with educational institutions will be classified as residential and billed at the residential rate.
5. Where both residential and general or commercial classes of service are supplied through a single meter, such combined service shall be classified as general and billed at the appropriate non-residential general service rate. The Customer may arrange his wiring so as to separate the general service from the residential service, in which event two meters will be installed by the Company and separate residential and general service rates applied to the respective classes of service.
6. If a farm Customer's barns, pump house or other outbuildings are located at such distance from his residence as to make it impracticable to supply service thereto through his residential meter, the separate meter required to measure service to such remotely located buildings will be considered a separate service contract and billed as a separate Customer on the applicable general service rate.
7. Single-phase power service used for domestic purposes will be permitted under Residential Rate RS when measured through the residential meter subject to the conditions set forth below.

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Louisville Gas and Electric Company

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TERMS AND CONDITIONS
Residential Rate Specific Terms and Conditions

- (a) Single-phase motors may be served at 120 volts if the locked-rotor current at rated voltage does not exceed 50 amperes. Motors with locked-rotor current ratings in excess of 50 amperes must be served at 240 volts.
 - (b) Single-phase motors of new central residential cooling installations with total locked-rotor ratings of not to exceed 125 amperes (inclusive of any auxiliary motors arranged for simultaneous starting with the compressor) may be connected for across-the-line starting provided the available capacity of Company's electric distribution facilities at desired point of supply is such that, in Company's judgment, the starting of such motors will not result in excessive voltage dips and undue disturbance of lighting service and television reception of nearby electric customers. However, except with Company's express written consent, no new single-phase central residential cooling unit having a total locked-rotor rating in excess of 125 amperes inclusive of auxiliary motors arranged for simultaneous starting with the compressor) shall hereafter be connected to Company's lines, or be eligible for electric service therefrom, unless it is equipped with an approved type of current-limiting device for starting which will reduce the initial and incremental starting current inrush to a maximum of 100 amperes per step. Company shall be furnished with reasonable advance notice of any proposed central residential cooling installation.
 - (c) In the case of multi-motored devices arranged for sequential starting of the motors, the above rules are considered to apply to the locked-rotor currents of the individual motors; if arranged for simultaneous starting of the motors, the rules apply to the sum of the locked-rotor currents of all motors so started.
 - (d) Any motor or motors served through a separate meter will be billed as a separate customer.
8. No three-phase power service will be rendered under Residential Rate Schedule RS. Any residential customer or group of customers desiring to contract for three-phase service for power purposes will be required to advance the cost of extending such service to the premises at which desired and shall be billed for such service at Company's General Service Rate GS.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 86
P.S.C. of Ky. Electric No. 6

**TERMS AND CONDITIONS
BILLING**

METER READINGS AND BILLS

Each bill for utility service shall be issued in compliance with 807 KAR 5:006, Section 6.

All bills will be based upon meter readings made in accordance with the Company's meter reading schedule. The Company, except if prevented by reasons beyond its control, shall read customers meters at least quarterly, except that customer-read meters shall be read at least once during the calendar year.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's electric or gas meter fails to register properly by reason of damage, accident, etc., the Company shall have the right to estimate the customer's consumption during the period of failure on the basis of such factors as the customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where the Company serves a customer with both electric and gas service at the same service location, the Company will render a combined bill. Provided, however, a residential customer may request, and the Company will render, separate bills under the following conditions: (1) the customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) the customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable in their net amount at the office of the Company during business hours, or at other locations designated by the Company, within 15 days from date of rendition thereof. In the event a bill is not paid on or before the final day of this 15 day net payment period, the gross bill including forfeited discount or delayed payment charge shall become due and payable at the office of the Company.

Failure to receive a bill does not exempt a customer from these provisions of the Company's Terms and Conditions.

READING OF SEPARATE METERS NOT COMBINED

For billing purposes, each meter upon the customer's premises will be considered separately and readings of two or more meters will not be combined except where the Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
BILLING

MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, the Company will monitor the usage of each customer at least once annually. Should an unusual deviation in the customer's consumption be found which cannot be attributed to a readily identified cause, the Company will perform a detailed analysis of the customer's meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5). In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

RESALE OF ELECTRIC ENERGY.

Electric energy furnished under the Company's standard application or contract is for the use of the customer only and no customer shall resell such energy to any other person, firm, or corporation on the customer's premises or for use on any other premises without the written consent of Company. If energy is resold in accordance with such written consent of Company, the energy may be resold only under one of the following two procedures: (1) the bill for electric service shall be divided by the total KWH's delivered to the customer during the billing period by LG&E and the resulting cost per KWH shall then be applied to the KWH's of energy used by each end-user, or (2) such energy shall be resold at rates which are identical to the rates which would be charged by the Company for like and contemporaneous service.

Electric service shall not be used for purposes other than as set forth in customer's application or contract.

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Louisville Gas and Electric Company

Original Sheet No. 87
P. S. C. of Ky. Electric No. 6

**TERMS AND CONDITIONS
DEPOSITS**

The Company may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. The Company may offer customers the option of paying all or a portion of their deposits in installments over a period not to exceed the first three normal billing periods. Service may be refused or discontinued for failure to pay the requested deposit.

Generally, deposits will be required from all customers not meeting satisfactory credit and payment criteria. Satisfactory credit for customers will be determined by utilizing independent credit sources (primarily utilized with new customers having no prior history with the Company), as well as historic and ongoing payment and credit history with the Company. Examples of independent credit scoring resources include credit scoring services, public record, financial information, financial scoring and modeling services, and information provided by independent credit/financial watch services. Satisfactory payment criteria with the Company may be established by paying all bills rendered, having no disconnections for nonpayment, having no late notices, having no defaulted credit arrangements, having no returned payments, having no meter diversion or theft of service.

If a non-residential customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by the Company in its sole discretion, the Company may require a new or additional deposit from the customer. A new or additional deposit may also be required if the customer's classification of service changes or if there is a substantial change in usage.

Interest on deposits will be calculated at the rate prescribed by law, from the date of deposit, and will be paid annually either by refund or credit to the customer's bill, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit. If interest is paid or credited to the customer's bill prior to 12 months from the date of deposit, the payment or credit will be on a prorated basis. Upon termination of service, the deposit, any principal amounts, and interest earned and owing will be credited to the final bill, with any remainder refunded to the customer.

Residential deposits will be retained for a period not to exceed 12 months, provided the customer has met satisfactory payment and credit criteria. Non-residential deposits will be maintained as long as the customer remains on service.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

DEPOSIT AMOUNT

Residential electric customers will pay a deposit in the amount of \$120.00, which is calculated in accordance with 807 KAR5:006 Section 7(1)(b). For combination gas and electric customers, the total deposit will be \$240.00.

Non-residential customers' deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 87.1
P.S.C. of Ky. Electric No. 6

**TERMS AND CONDITIONS
DEPOSITS**

premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

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Date of Issue: December 29, 2003

issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville Kentucky

Louisville Gas and Electric Company

Original Sheet No. 88
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TERMS AND CONDITIONS
Budget Payment Plan

The Company's Budget Payment Plan is available to any residential customer or general service customer. Small business customers must have a minimum of three months of usage history and a zero balance owed on their account(s) to be eligible for the Budget Payment Plan. Under this plan, a customer may elect to pay, each month, a budgeted amount in lieu of billings for actual usage. A customer may enroll in the plan at any time.

The budgeted amount will be determined by the Company, and will be based on one-twelfth of the customer's usage for either an actual or estimated twelve months. The budgeted amount will be subject to review and adjustment by the Company at any time during the customer's budget year. If actual usage indicates the customer's account will not be current with the final payment in the customer's budget year, the customer will be required to pay their Budget Payment Plan account to \$0 prior to the beginning of the customer's next budget year.

If a customer fails to pay bills as agreed under the Budget Payment Plan, the Company reserves the right to remove the customer from the plan, restore the customer to regular billing and require immediate payment of any deficiency. A customer removed from the Budget Payment Plan for non-payment may be prohibited from further participation in the plan for twelve (12) months.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.

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Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Bill Format



A SUBSIDIARY OF LG&ENERGY

1613 400801 9

Your Account Number is: 16 13 400801
Next Residing Date: 04/23/92

Service Location: 1234 ANYWHERE ST
LOUISVILLE KY 40213

Service Location: 1234 ANYWHERE ST
LOUISVILLE KY 40213

Louisville Gas and Electric Company
P.O. Box 2006
Louisville, Kentucky 40208

Monday - Thursday
8 a.m. - 6 p.m.
Friday - 9 a.m. - 4 p.m.
Phone: (606) 586-1244
Toll Free: 1-800-495-2636

Customer Service (502) 589-1444
Mon-Fri 9AM-5PM
www.lgeenergy.com

Help us serve you better. Review your home phone number on the payment stub. If incorrect, please indicate the correct number.

FROM	TO	PREVIOUS	PRESENT	CHARGES
02/24	03/24	41249	42843	15.59
02/24	03/24	5672	5790	118.00
CURRENT BILL TOTAL				133.59
LATE CHARGE IF PAID AFTER DUE DATE				59.49
TOTAL				193.08

ITEMS INCLUDED IN CHARGES

ELECTRIC FUEL COST ADJUSTMENT \$.05155866 PER KWH = \$ 1.23CR

GAS SUPPLY COST COMPONENT \$.2247800 PER CCF = \$ 24.52

ACCOUNT NUMBER	PREVIOUS BALANCE	AMOUNT TO BE PAID
16 13 400801 9	.00	94.18
AMOUNT TO BE PAID		94.18
BY DUE DATE		06/13/92
WINTERHELP DONATION		00.00
TOTAL		94.18

DOE, JOHN
1234 ANYWHERE ST
LOUISVILLE KY 40213

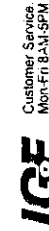
SERVICE LOCATION: 1234 ANYWHERE ST
16 134 0000 19000009418000089690413920

Date of Issue: June 25, 1992
Issued By
Refiled: February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky

TERMS AND CONDITIONS

Bill Format



1613 400801 9

Your Account Number is: 16 13 400801
Next Residing Date: 04/23/92

Service Location: 1234 ANYWHERE ST
LOUISVILLE KY 40213

Customer Service (502) 589-1444
Mon-Fri 9AM-5PM
www.lgeenergy.com

Help us serve you better. Review your home phone number on the payment stub. If incorrect, please indicate the correct number.

Averages for	This Year	Last Year
Billing Period	35	39
Average Temperature	34	34
Number of Days Billed	13.47	10.59
Electric kWh per Day	0.74	0.65

PREVIOUS BALANCE \$24.19
CURRENT BALANCE \$24.18
BALANCE AS OF 12/28 \$ 0.00
ELECTRIC CHARGES \$26.21
GAS CHARGES \$26.34
CURRENT UTILITY CHARGES 1/28 \$52.52
TOTAL AMOUNT DUE \$52.55

ACCOUNT INFORMATION

Account Number: 1234-1234-1234-1 0
Account Name: John D. Customer
Service Address: 789 Any Street
Next Scheduled Reading: 02/09/01

BILLING SUMMARY

Previous Balance \$24.19
Current Reading As Of 12/28 \$24.18
Balance As Of 12/28 \$ 0.00
Electric Charges \$26.21
Gas Charges \$26.34
Current Utility Charges 1/28 \$52.52
Total Amount Due \$52.55

ELECTRIC CHARGES

Rate Type	R-RESIDENTIAL	Meter Reading Information
Energy Charge	5 1 29	Meter 8123456
Customer Charge	3 24 99	Actual Reading on 1/11 31014
Electric Fuel Adjustment	5 1 00	Actual Reading on 1/28 31228
Electric Residential DSM Amc	5 9 03	Current With Usage 31014
Environmental Surcharge	5 0 17	Metered With Usage 31228
Merger Surcharge	2 0 50	
Total Electric Charges	2 0 21	

GAS CHARGES

Rate Type	RIS-RESIDENTIAL	Meter Reading Information
Gas Distribution Charge	5 1 65	Meter 412345
Other Charges for Above Rate	5 3 17	Actual Reading on 01/11 1700
Gas Supply Cost Component	3 16 08	Actual Reading on 1/28 1725
Gas Residential Gas Total Amc	5 0 13	Current and Usage 1700
Total Gas Charges	5 0 24	Metered With Usage 1725

Customer Service (502) 589-1444
1234-1234-1234-1 0
01/28/01 \$52.55
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT
AMOUNT DUE \$52.55
DATE DUE 02/09/01
AMOUNT PAID \$

OFFICE USE ONLY
COT. NO. 301139



P.O. Box 32000
Louisville, Kentucky 40232

Service Address: 789 Any Street

Home Phone # (502) 555-0000

00001570400017000000005450000000525100000000000000

Date of Issue: December 29, 2003
Issued By
Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Bill Format

Understanding Your Bill...

The following definitions may help you better understand some of the terms and abbreviations on the front of your bill.
Credits (Crf) — Your bill is reduced by the amount shown. Credits occur for a variety of reasons, such as an overpayment, a correction, customer deposit and interest refund, and when it appears with the electric fuel cost adjustment.

For a customer on the Equalized Monthly Payment Plan (EMPP), a credit reflects the accumulated difference between the agreed-upon EMPP payment amount and the actual charges for service.
100 Cubic feet (Ccf) — The unit of volume by which LG&E measures the amount of natural gas you use. For example, 100 cubic feet of our gas would fuel an average 100,000 Btu furnace for about one hour of continuous operation.

Estimated (Est) — The amount of gas and/or electricity you used during the billing period is estimated when your meter cannot be read. The estimate is based on your prior month's usage and the weather.

Electric Fuel Cost Adjustment — The charge or credit per kilowatt hour (Kwh) that reflects changes in the cost of fuel that we buy to produce electricity. This is passed along directly to you through the monthly electric charge without any markup by LG&E.

Gas Supply Cost Component — The charge per 100 cubic feet (Ccf) that reflects the cost of natural gas which the Company acquires to sell to you. This is passed along directly to you through the monthly gas charge without any markup by LG&E.

Kilowatt hour (Kwh) — A measure of the amount of electricity you use. For example, the amount of electricity needed to light a 100-watt light bulb for ten hours is one kilowatt hour.

Late Charge — The amount that is added to your bill if you pay it after the due date.

Metering Constant — A few customers have meters designed so that a multiplier, or constant, must be applied to the meter reading difference to determine actual usage.

School Tax — "Rate increase for school tax." The amount added to your bill to pay for school tax in your county, where applicable.

Questions Or Concerns? Please Contact Us!

If you would like a rate schedule, please enclose a note with your payment. We'll be glad to send you one.
If you ever have a question or complaint about your bill or service, we're here to help. We're committed to providing you with quality service, unsupervised, and getting to the bottom of misunderstandings. Please call us at 588-1444 or visit any of our customer service centers.

4917 Dixie Highway
4424 Outer Loop

4121 Shelbyville Road

701 South Ninth Street

Date of Issue: June 29, 1992

Issued By

R. M. Hewitt, Group Executive
Louisville, Kentucky

Date Effective: June 29, 1992
Revised: February 21, 2000

TERMS AND CONDITIONS

Bill Format

Account Number: 12345678901234567890

BILLING INFORMATION

If you would like a rate schedule, please contact us and we will be glad to send you one.
Franchise Fee: A pass-through of fees paid by the Company to municipalities for the right to serve customers located in those municipalities.

IMPORTANT INFORMATION

Let the Automatic Bank Club Program simplify your life. Call Customer Service at 1-502-527-3113 for more information.

If enrolling, also check box on front of stub.

YES, I want to enroll in the Automatic Bank Club.
Please deduct my Automatic Bank Club payment from my Checking Account.
(Voided check must be provided.)
I hereby authorize LG&E to debit my bank account for payment of my monthly energy bill. This authorization will remain in effect until revoked by me or LG&E.

Signature _____ Date _____



Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 90
P. S. C. of Ky. Electric No. 6

**TERMS AND CONDITIONS
Discontinuance of Service**

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, the Company shall have the right to refuse or discontinue to serve an applicant or customer under the following conditions:

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce the customer to comply with its rules and then only after the customer has been given at least 10 days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.
- D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. Service will not be supplied or continued to any premises if the applicant or customer is indebted to the Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Unpaid balances of previously rendered Final Bills may be transferred to any account for which the customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred and will be subject to the Company's collection and disconnection procedures. Final Bills may be transferred regardless of whether they are for combination gas and electric or gas only or electric only charges. The Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

Service will not be supplied or continued to any premises if at the time of application for service the applicant is merely acting as an agent of a person or former customer who is indebted to the Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where the applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to the Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.
- H. For non-payment of bills. The Company shall have the right to discontinue service for non-payment of bills after the customer has been given at least ten days written notice,

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 90.1
P.S.C. of Ky. Electric No. 6

TERMS AND CONDITIONS
Discontinuance of Service

separate from his original bill. Cut-off may be effected not less than 27 days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than 30 days from the original date of discontinuance. The Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.

I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. Within twenty-four (24) hours after such termination, the Company shall send written notification to the customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. The Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. The Company shall not be required to restore service until the customer has complied with all rules of the Company and regulations of the Commission and the Company has been reimbursed for the estimated amount of the service rendered and the cost to the Company incurred by reason of the fraudulent use.

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When service has been discontinued for any of the above reasons, the Company shall not be responsible for any damage that may result therefrom.

Discontinuance or refusal of service shall be in addition to, and not in lieu of, any other rights or remedies available to the Company.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 27
P. S. C. of Ky. Electric No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Electric Line Extension Rules

1. The Company will extend its single phase electric lines at its own expense for a distance of up to one thousand feet to each bona-fide applicant for year-round electric service who demonstrates that such service will be of a permanent nature. Applicant must agree in writing to take service when the extension is completed and have his building or other permanent facility wired and ready for connection.
2. The Company will extend its single phase electric lines in excess of the above distance provided the applicant for service advances to the Company an amount equal to the estimated cost of such excess portion of the extension.
3. The Company will install at its own expense a service drop of suitable capacity, the length of which is not included in the foregoing distances. The Company will provide the necessary meter or meters to measure service in accordance with the applicable rate schedule or schedules.
4. For each new year-round customer actually connected to the extension within a ten-year period following completion thereof, but not to extensions or laterals therefrom, the Company will refund to each applicant who advanced funds in accordance with Paragraph 2 above an amount equal to 1000 times the average unit cost per foot of extension advanced by such applicant; provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to the Company.
5. In the event the Company is required to make a further extension of its lines to serve a customer, Company reserves the right to connect to any extension constructed under these rules and to connect customers to such additional extensions without application of the refund referred to in Paragraph 4 above.
6. The title to all extensions herein provided for, together with all necessary rights of way, permits and easements, shall be and remain in the Company.
7. Nothing herein shall be construed as preventing the Company from making electric line extensions under more favorable terms than herein prescribed provided the potential consumption and revenue is of such amount and permanency as to warrant such terms and render economically feasible the capital expenditure involved.
8. Anything contained herein to the contrary notwithstanding, distribution line extensions to mobile homes will be made in accordance with the rules of the Public Service Commission of Kentucky, 807 KAR 5:041E, Section 12.
9. The Company shall not be obligated to extend its electric lines in cases where such extensions in the judgment of Company, would be infeasible, impractical, or contrary to good operating practice.

Date of Issue: January 26, 1982

Issued By

R. M. Hawrett, Group Executive
Louisville, Kentucky

Date Effective: January 1, 1982
Refiled: February 21, 2000

Louisville Gas and Electric Company

Original Sheet No. 91
P. S. C. of Ky. Electric No. 6

TERMS AND CONDITIONS

Line Extension Plan

1. The Company will extend its single phase electric lines at its own expense for a distance of up to one thousand feet to each bona-fide applicant for year-round electric service who demonstrates that such service will be of a permanent nature. Applicant must agree in writing to take service when the extension is completed and have his building or other permanent facility wired and ready for connection.
2. The Company will extend its single phase electric lines in excess of the above distance provided the applicant for service advances to the Company an amount equal to the estimated cost of such excess portion of the extension.
3. The Company will install at its own expense a service drop of suitable capacity, the length of which is not included in the foregoing distances. The Company will provide the necessary meter or meters to measure service in accordance with the applicable rate schedule or schedules.
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8. Anything contained herein to the contrary notwithstanding, distribution line extensions to mobile homes will be made in accordance with the rules of the Public Service Commission of Kentucky, 807 KAR 5:041E, Section 12.
9. The Company shall not be obligated to extend its electric lines in cases where such extensions in the judgment of Company, would be infeasible, impractical, or contrary to good operating practice.

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 28
P. S. C. of Ky. Electric No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Underground Service Rules

1. With the exception of the downtown section of the City of Louisville designated by City as an underground district, Company's distribution system is generally designed as an overhead system. All extensions of service will be made through the use of overhead facilities except as provided in these rules.
2. Within the aforesaid City of Louisville underground district or in those cases where Company's engineering or operating convenience requires the construction of an underground extension, the excess of the cost of an underground extension over that of an overhead extension will be financed by the Company.
3. In cases other than those specified in Paragraph 2 above, where the customer requests and Company agrees to supply underground service to an individual premise, the customer shall pay to Company the excess, as estimated by the Company, of the cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity, which payment will not be subject to refund.
4. Rules governing the terms and conditions under which underground extensions will be made in new residential subdivisions are set forth on Sheets 29, 30 and 31 of this Tariff and entitled "Underground Electric Extension Rules for New Residential Subdivisions."
5. In all cases the point of delivery to an individual premise shall be at a point on such premise as designated by the Company. The customer will provide, own, operate and maintain all electric facilities on his side of the point of delivery, with the exception of Company's meter, for which suitable provision shall be made by the customer in accordance with Company's general rules.
6. In all cases other than those specified in Paragraph 2 above, the Company shall not be obligated to supply underground service when, in the judgment of Company, such service would be infeasible, impractical, or contrary to good operating practice.

Date of Issue: January 26, 1982

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: January 1, 1982
Revised: February 21, 2006

Louisville Gas and Electric Company

Original Sheet No. 92
P. S. C. of Ky. Electric No. 6

**TERMS AND CONDITIONS
Underground Service Rules**

1. With the exception of the downtown section of the City of Louisville designated by City as an underground district, Company's distribution system is generally designed as an overhead system. All extensions of service will be made through the use of overhead facilities except as provided in these rules.
2. Within the aforesaid City of Louisville underground district or in those cases where Company's engineering or operating convenience requires the construction of an underground extension, the excess of the cost of an underground extension over that of an overhead extension will be financed by the Company.
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5. In all cases the point of delivery to an individual premise shall be at a point on such premise as designated by the Company. The customer will provide, own, operate and maintain all electric facilities on his side of the point of delivery, with the exception of Company's meter, for which suitable provision shall be made by the customer in accordance with Company's general rules.
6. In all cases other than those specified in Paragraph 2 above, the Company shall not be obligated to supply underground service when, in the judgment of Company, such service would be infeasible, impractical, or contrary to good operating practice.

Date of Issue: December 29, 2003

Issued By

Michael S. Bear, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Underground Electric Extension Rules for New Residential Subdivisions

The Company will install underground electric distribution facilities within new residential subdivisions in accordance with its standard policies and procedures and the rules of the Public Service Commission of Kentucky applicable thereto (807 KAR 5:041E, Section 21, Electric) under the following conditions:

1. These rules shall apply only to 120/240 volt, single phase service to:
 - (a) Residential subdivisions containing ten or more lots for the construction of new residential buildings designed for less than five-family occupancy.
 - (b) High density, multiple-occupancy residential building projects consisting of two or more buildings not more than three stories above grade level and containing not less than five family units per building.
2. When an Applicant has complied with these rules and with the applicable rules of the Public Service Commission, and has given the Company at least 120 days' written notice prior to the anticipated date of completion (i.e., ready for occupancy) of the first building in the subdivision, the Company will undertake to complete the installation of its facilities at least 30 days prior to such estimated date of completion. However, nothing herein shall be interpreted to require the Company to extend service to portions of subdivisions not under active development.
3. Any Applicant for underground distribution facilities to a residential subdivision, as described in Paragraph 1(a) above, shall pay to the Company, in addition to such refundable deposits as may be required in accordance with Paragraph 5 below, a unit charge of \$2.67 per aggregate lot front foot along all streets contiguous to the lots to be served underground. Such payment shall be non-refundable.
4. The Company will install underground single-phase facilities to serve high-density, multiple-occupancy residential building projects, as described in Paragraph 1(b) above, as follows:
 - (a) Where such projects have a density of not less than eight family units per acre, at no charge to the Applicant except where a refundable deposit may be required in accordance with Paragraph 5 below.
 - (b) Where such buildings are widely separated and have a density of less than eight family units per acre, at a cost to the Applicant equivalent to the difference between the actual cost of constructing the underground distribution system and the Company's estimated cost for construction of an equivalent overhead distribution system, the latter including an allowance of not less than \$50 per service drop required. Such payment shall be non-refundable.

Date of Issue: November 22, 2002
Canceling Second Revision of
Original Sheet No. 29
Issued November 22, 2001

Issued By

Michael S. Beer, Vice President
Louisville Gas and Electric Company
Issued Pursuant to K.P.S.C. Order of 2/27/73 in Adm. Case No. 146

Date Effective: January 1, 1983

TERMS AND CONDITIONS
Underground Electric Extension Rules for New Residential Subdivisions

The Company will install underground electric distribution facilities within new residential subdivisions in accordance with its standard policies and procedures and the rules of the Public Service Commission of Kentucky applicable thereto (807 KAR 5:041E, Section 21, Electric) under the following conditions:

1. These rules shall apply only to 120/240 volt, single phase service to:
 - (a) Residential subdivisions containing ten or more lots for the construction of new residential buildings designed for less than five-family occupancy.
 - (b) High density, multiple-occupancy residential building projects consisting of two or more buildings not more than three stories above grade level and containing not less than five family units per building.
2. When an Applicant has complied with these rules and with the applicable rules of the Public Service Commission, and has given the Company at least 120 days' written notice prior to the anticipated date of completion (i.e., ready for occupancy) of the first building in the subdivision, the Company will undertake to complete the installation of its facilities at least 30 days prior to such estimated date of completion. However, nothing herein shall be interpreted to require the Company to extend service to portions of subdivisions not under active development.
3. Any Applicant for underground distribution facilities to a residential subdivision, as described in Paragraph 1(a) above, shall pay to the Company, in addition to such refundable deposits as may be required in accordance with Paragraph 5 below, a unit charge of \$2.67 per aggregate lot front foot along all streets contiguous to the lots to be served underground. Such payment shall be non-refundable.
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 - (a) Where such projects have a density of not less than eight family units per acre, at no charge to the Applicant except where a refundable deposit may be required in accordance with Paragraph 5 below.
 - (b) Where such buildings are widely separated and have a density of less than eight family units per acre, at a cost to the Applicant equivalent to the difference between the actual cost of constructing the underground distribution system and the Company's estimated cost for construction of an equivalent overhead distribution system, the latter including an allowance of not less than \$50 per service drop required. Such payment shall be non-refundable.
5. The Applicant may be required to advance to the Company the full estimated cost of construction of its underground electric distribution extension. This advance, to the extent it exceeds the non-refundable charges set forth above, shall be subject to refund.

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
Underground Electric Extension Rules for New Residential Subdivisions

5. The Applicant may be required to advance to the Company the full estimated cost of construction of its underground electric distribution extension. This advance, to the extent it exceeds the non-refundable charges set forth above, shall be subject to refund.
- (a) In the case of residential subdivisions, this advance, if required, shall be calculated at a unit charge of \$9.57 per aggregate front-foot and the refund shall be made, on the basis of 2000 times the amount by which such unit charge advance exceeds the non-refundable unit charge set forth in Paragraph 3 above, for each permanent customer connected to the underground distribution system during the ten year period following the date such advance is made.
- (b) In the case of high-density, multiple-occupancy residential building projects, this advance, if required, shall be based on construction costs for the project as estimated by the Company and shall be refunded, to the extent such advance exceeds any non-refundable charges applicable, when permanent service is commenced to 20 percent of the family units in the project, provided such conditions are met within ten years following the date such advance is made.
- (c) In no case shall the refunds provided for herein exceed the amounts deposited less those non-refundable charges applicable to the project.
6. Where, upon mutual agreement by the Company and the Applicant, Applicant performs the trenching and/or backfilling in accordance with the Company's specifications, the Company will credit the Applicant's costs in an amount equal to the Company's estimated cost for such trenching and/or backfilling. Such credit will be based on the system as actually designed and constructed.
7. In order that the Company may make timely provision for materials and equipment, a contract between an Applicant and the Company for an underground extension under these rules shall ordinarily be required at least six months prior to the date service in the subdivision is needed. The Applicant shall advance not less than 10% of the amounts due under the said contract at the time of its execution. The remaining amounts due shall be payable in full prior to the commencement of actual construction by the Company of its facilities.
8. Three-phase primary mains or feeders required within a subdivision to supply local distribution or to serve individual three-phase loads may be overhead unless underground facilities are required by governmental authorities or chosen by Applicant, in either of which cases the differential cost of underground shall be borne by the Applicant.
9. Unit charges, where specified herein, are determined from the Company's estimate of the average unit cost of such construction within its service area and the "estimated average cost differential," if any and here applicable, between the estimated average cost of underground distribution systems in residential subdivisions and the estimated cost of equivalent overhead distribution systems in representative residential subdivisions.

Date of Issue: November 22, 2002
Cancelling Second Revision of
Original Sheet No. 30
Issued November 22, 2001

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 22773 in Adm. Case No. 146

Date Effective: January 1, 2003

TERMS AND CONDITIONS
Underground Electric Extension Rules for New Residential Subdivisions

- (a) In the case of residential subdivisions, this advance, if required, shall be calculated at a unit charge of \$9.57 per aggregate front-foot and the refund shall be made, on the basis of 2000 times the amount by which such unit charge advance exceeds the non-refundable unit charge set forth in Paragraph 3 above, for each permanent customer connected to the underground distribution system during the ten year period following the date such advance is made.
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- (c) In no case shall the refunds provided for herein exceed the amounts deposited less those non-refundable charges applicable to the project.
6. Where, upon mutual agreement by the Company and the Applicant, Applicant performs the trenching and/or backfilling in accordance with the Company's specifications, the Company will credit the Applicant's costs in an amount equal to the Company's estimated cost for such trenching and/or backfilling. Such credit will be based on the system as actually designed and constructed.
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8. Three-phase primary mains or feeders required within a subdivision to supply local distribution or to serve individual three-phase loads may be overhead unless underground facilities are required by governmental authorities or chosen by Applicant, in either of which cases the differential cost of underground shall be borne by the Applicant.
8. Unit charges, where specified herein, are determined from the Company's estimate of the average unit cost of such construction within its service area and the "estimated average cost differential," if any and here applicable, between the estimated average cost of underground distribution systems in residential subdivisions and the estimated cost of equivalent overhead distribution systems in representative residential subdivisions.
10. The point of delivery of electric service shall be at a junction device located as specified by the Company, where the facilities of the Company join the customer's facilities, irrespective of the location of the meter. Under normal circumstances such point of delivery will be the corner of the lot nearest the Company's facilities. Each customer shall install, own and maintain an underground service line from the point of delivery to this building. (In consideration thereof, a credit allowance equal to the Company's average installed cost for an overhead service or \$50.00, whichever is greater, has been included in calculating the applicant's charges as set forth elsewhere herein.) The customer's service line shall be brought by the customer to a point

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 92.3
P.S.C. of Ky. Electric No. 6

T

TERMS AND CONDITIONS
Underground Electric Extension Rules for New Residential Subdivisions

10. The point of delivery of electric service shall be at a junction device located as specified by the Company, where the facilities of the Company join the customer's facilities, irrespective of the location of the meter. Under normal circumstances such point of delivery will be the corner of the lot nearest the Company's facilities. Each customer shall install, own, and maintain an underground service line from the point of delivery to his building. (In consideration thereof, a credit allowance equal to the Company's average installed cost for an overhead service or \$50.00, whichever is greater, has been included in calculating the applicant's charges as set forth elsewhere herein.) The customer's service line shall be brought by the customer to a point within 1½ feet of the Company's transformer or service pedestal and a sufficient length of service conductor for termination at the transformer or service pedestal shall be left coiled above grade for completion of installation and connection by the Company.

11. If a particular residential subdivision does not meet the conditions set forth herein, underground distribution facilities may be installed provided the Applicant pays to the Company an amount equal to the difference between the Company's cost of installing its underground facilities and the estimated cost of installing equivalent overhead facilities which it would otherwise provide, subject to any other credits which may be applicable.

within 1½ feet of the Company's transformer or service pedestal and a sufficient length of service conductor for termination at the transformer or service pedestal shall be left coiled above grade for completion of installation and connection by the Company.

11. If a particular residential subdivision does not meet the conditions set forth herein, underground distribution facilities may be installed provided the Applicant pays to the Company an amount equal to the difference between the Company's cost of installing its underground facilities and the estimated cost of installing equivalent overhead facilities which it would otherwise provide, subject to any other credits which may be applicable.

Original Sheet No. 31
P.S.C. of Ky. Electric No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
Underground Electric Extension Rules for New Residential Subdivisions

Date of Issue: November 13, 1992
Issued By
Date Effective: December 14, 1993
Revised: February 21, 2000

R. M. Hawest, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 27273 in Adm. Case No. 146

Date of Issue: December 29, 2003
Issued By
Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

This Plan is established in recognition of the need for an orderly reduction of electric energy usage by LG&E's customers when LG&E's ability to supply the full normal requirements of such customers is limited or threatened by an actual or potential shortage of fuel for the production of electricity or when a non-fuel emergency reduces LG&E's ability to supply electricity.

1. **APPLICABILITY.** This Plan is applicable throughout the Company's electric service area.
2. **PRIORITY LEVELS.** For the purposes of this Plan, the following priority levels are established:
 - A. **PRIORITY LEVEL I - ESSENTIAL HEALTH AND SAFETY USES.** Usages considered essential to the public health and safety which are given special consideration under this Plan shall include:
 - a. Hospitals.
 - b. Police and fire stations.
 - c. Governmental detention facilities.
 - d. Communication services used for the transmittal of public information and emergency messages.
 - e. Water, sewage and flood pumping facilities.
 - f. Life support equipment, such as kidney machines, respirators, etc., used to sustain human life.
 - g. National defense facilities.
 - h. Transportation facilities used for mass transport of the public.
 - i. Food and medicine processing facilities (does not include restaurants or retail food outlets).
 - j. Energy services used for the production, transportation, or distribution of fuel supplies.
 - k. Any other use of electricity vital to public health and safety as may subsequently be established by the Company, acting under the regulatory jurisdiction of the Commission.

- B. **PRIORITY LEVEL II - RESIDENTIAL USES.** As used in this Plan, "residential uses" refers to electricity uses, not included in Priority Level I or IV, that are used to maintain human living quarters.
- C. **PRIORITY LEVEL III - COMMERCIAL AND INDUSTRIAL USES.** As used in this Plan, commercial and industrial uses are defined as:
 - a. "Commercial uses" refers to electricity uses not included in either Priority Levels I, II, or IV that are used primarily in the sale or offering of goods and services. Also included are institutions and local, state, and federal governmental agencies. Commercial uses of electricity for the maintenance of human living quarters, either permanent or temporary, shall be treated as residential for purposes of this Plan.
 - b. "Industrial uses" refers to electricity uses not included in either Priority Levels I, II, or IV that are used primarily in a process or processes which create or change raw or unfinished materials into another form or product.

Date of Issue: March 15, 1996

Issued By

Date Effective: April 14, 1996
Revised: February 21, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 93.1
P. S. C. of Ky. Electric No. 6

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

- D. **PRIORITY LEVEL IV - NONESSENTIAL USES.** As used in this Plan, "nonesessential uses" shall mean all electricity uses not included in either Priority Levels I, II, or III and shall include, but not be limited to, the following:
- a. Outdoor flood and advertising lighting, except for the minimum level to protect life and property, and a single illuminated sign identifying commercial facilities when operating after dark.
 - b. General interior lighting levels greater than minimum functional levels.
 - c. Show-window and display lighting.
 - d. Parking-lot lighting above minimum functional levels.
 - e. Energy use to lower the temperature below 78 degrees during operation of cooling equipment and above 65 degrees during operation of heating equipment.
 - f. Elevator and escalator use in excess of the minimum necessary for non-peak hours of use.
 - g. Energy use greater than that which is the minimum required for lighting, heating, or cooling of commercial or industrial facilities for maintenance cleaning or business-related activities during non-business hours.
 - h. Any other use considered nonessential as may subsequently be established by the Company, acting under the regulatory jurisdiction of the Commission.

3. **CURTAILMENT PROCEDURES.** In general, instructions and directives with respect to the curtailment or reduction of usage will be issued through mass communications media. Additional notice may be given to large commercial and industrial customers by direct communication. LG&E will give as much notice of required levels of curtailment as practicable, but makes no commitment with respect to the length of notice period.
- LG&E will seek the aid of all appropriate local and state governmental agencies in the enforcement of its directives, to ensure that such directives are observed by all customers to which they apply.
- Essential health and safety uses listed in Priority Level I will be exempted from the curtailment requirements set forth below, but customers having such uses will be expected to reduce their usage as much as practicable, commensurate with the maintenance of such essential services.
- Curtailment will be implemented as required by circumstances. LG&E will determine, based on the circumstances, the degree of curtailment necessary to protect the integrity of its system and Priority I uses.

Date of Issue: December 28, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 33
P. S. C. of Ky. Electric No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

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 - c. Show-window and display lighting.
 - d. Parking-lot lighting above minimum functional levels.
 - e. Energy use to lower the temperature below 78 degrees during operation of cooling equipment and above 65 degrees during operation of heating equipment.
 - f. Elevator and escalator use in excess of the minimum necessary for non-peak hours of use.
 - g. Energy use greater than that which is the minimum required for lighting, heating, or cooling of commercial or industrial facilities for maintenance cleaning or business-related activities during non-business hours.

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R. M. Hewett, Group Executive
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 93.2
P.S.C. of Ky. Electric No. 6

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TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

4. CURTAILMENT DUE TO FUEL SHORTAGES. Curtailment will be implemented when, in LG&E's judgment, circumstances exist that threaten its fuel supply in such a way as to call into question LG&E's ability to meet its future requirements for electric energy, including, but not limited to, labor actions, mine disasters, and disruption in the modes of transportation. The degree of curtailment will be determined after considering the seriousness of the circumstances prompting its implementation. LG&E will initiate the following actions to curtail uses of electricity in the event of fuel shortages:

1. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Purchase off-system power as appropriate.
 - b. Reduce LG&E's own uses of electric energy in offices, plants, and other facilities to the extent practical.
 - c. Discontinue all non-firm off-system sales except emergency energy transactions where such energy can be returned within reasonable time periods.
 - d. Curtail interruptible customers.
2. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Utilize generation facilities fired by secondary fuels to the extent such fuels are available.
 - b. Urge all customers to voluntarily conserve electric energy.
3. Discontinue all firm off-system sales.
4. Direct all customers with Priority IV uses to reduce or discontinue those uses of electric energy.
5. Seek approval from appropriate environmental authority to discontinue operation of SDRS systems.
6. Direct all customers with Priority III uses to reduce or discontinue those uses of electric energy.
7. Direct all customers with Priority II uses to reduce or discontinue those uses of electric energy.
8. Implement procedures for interruption of selected distribution circuits on a rotational basis.

Louisville Gas and Electric Company

Original Sheet No. 34
P.S.C. of Ky. Electric No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

h. Any other use considered nonessential as may subsequently be established by the Company, acting under the regulatory jurisdiction of the Commission.

3. CURTAILMENT PROCEDURES. In general, instructions and directives with respect to the curtailment or reduction of usage will be issued through mass communications media. Additional notice may be given to large commercial and industrial customers by direct communication. LG&E will give as much notice of required levels of curtailment as practicable, but makes no commitment with respect to the length of notice period.

LG&E will seek the aid of all appropriate local and state governmental agencies in the enforcement of its directives, to ensure that such directives are observed by all customers to which they apply.

Essential health and safety uses listed in Priority Level I will be exempted from the curtailment requirements set forth below, but customers having such uses will be expected to reduce their usage as much as practicable, commensurate with the maintenance of such essential services.

Curtailment will be implemented as required by circumstances. LG&E will determine, based on the circumstances, the degree of curtailment necessary to protect the integrity of its system and Priority I uses.

4. CURTAILMENT DUE TO FUEL SHORTAGES. Curtailment will be implemented when, in LG&E's judgment, circumstances exist that threaten its fuel supply in such a way as to call into question LG&E's ability to meet its future requirements for electric energy, including, but not limited to, labor actions, mine disasters, and disruption in the modes of transportation. The degree of curtailment will be determined after considering the seriousness of the circumstances prompting its implementation. LG&E will initiate the following actions to curtail uses of electricity in the event of fuel shortages:

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Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: April 14, 1996
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Louisville, Kentucky

Date of Issue: March 15, 1996

Louisville Gas and Electric Company

Original Sheet No. 93.3
P.S.C. of Ky. Electric No. 6

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

5. **TERMINATION OF CURTAILMENT DUE TO FUEL SHORTAGE.** Curtailment and other measures implemented pursuant to this Plan shall be terminated when (a) normal fuel deliveries have been resumed and there is evidence deliveries will continue indefinitely, and (b) there is reasonable assurance that fuel deliveries are sufficient for normal burn requirements and for restoration of fuel inventories to adequate levels within a reasonable period of time.
6. **NON-FUEL EMERGENCIES WHERE LG&E MAY NOT BE ABLE TO SUPPLY THE DEMAND FOR ELECTRICITY.** In the event that conditions on LG&E's system threaten its ability to supply the demand for electric energy, LG&E would initiate the following curtailment steps in order to protect system integrity and high priority uses.
 1. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Purchase Off-System Power as appropriate.
 - b. Discontinue all non-firm off-system sales except emergency energy transactions where such energy can be returned within reasonable time periods.
 - c. Reduce LG&E's own uses of electric energy in offices, plants, and other facilities to the extent possible.
 - d. Curtail interruptible customers.
 - e. Utilize generation facilities fired by secondary fuels to the extent such fuels are available.
 2. Discontinue all firm off-system sales.
 3. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Urge all customers to voluntarily conserve electric energy.
 - b. Direct all customers with Priority IV uses to reduce or discontinue those uses of electric energy.
 4. Seek approval from appropriate environmental authority to discontinue operation of SDRS systems.
 5. Direct all customers with Priority III uses to reduce or discontinue those uses of electric energy.
 6. Direct all customers with Priority II uses to reduce or discontinue those uses of electric energy.

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Louisville, Kentucky Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 35
P.S.C. of Ky. Electric No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

- b. Reduce LG&E's own uses of electric energy in offices, plants, and other facilities to the extent practical.
- c. Discontinue all non-firm off-system sales except emergency energy transactions where such energy can be returned within reasonable time periods.
- d. Curtail interruptible customers.
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 - a. Utilize generation facilities fired by secondary fuels to the extent such fuels are available.
 - b. Urge all customers to voluntarily conserve electric energy.
3. Discontinue all firm off-system sales.
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5. Seek approval from appropriate environmental authority to discontinue operation of SDRS systems.
6. Direct all customers with Priority III uses to reduce or discontinue those uses of electric energy.
7. Direct all customers with Priority II uses to reduce or discontinue those uses of electric energy.
8. Implement procedures for interruption of selected distribution circuits on a rotational basis.
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Date of Issue: March 15, 1996 Issued By: R. M. Hewitt, Group Executive
Louisville, Kentucky Date Effective: April 14, 1996
Revised: February 21, 2000

TERMS AND CONDITIONS

Plan for Reduction of Electric Usage During Times of Actual or Potential Fuel Shortages and During Times of Non-Fuel Emergencies Where the Demand for Electric Energy Potentially Exceeds LG&E's Ability to Supply Electric Energy

7. Implement procedures for interruption of selected distribution circuits on a rotational basis.

When the frequency on LG&E's system deteriorates below ECAR specified parameters, due to a condition on, either, LG&E's system or the interconnected grid, circuit breakers will automatically interrupt selected circuits. As a result, depending upon the emergency, this event may occur first. However, automatic interruption of load is not deployed on circuits that would affect Priority I uses.

7. TERMINATION OF CURTAILMENT DUE TO NON-FUEL EMERGENCIES.

Curtailment and other measures implemented associated with this plan shall be terminated when system operating conditions indicate that LG&E can reasonably expect to supply future electric energy requirements without further jeopardizing system integrity or high priority uses.

8. COMPLIANCE. To the extent practicable, LG&E proposes to monitor compliance with its directives issued pursuant to these rules. A customer found not to be in compliance during a fuel shortage would be warned to reduce usage or face, upon continuing non-compliance and upon one day's written notice, disconnection of electric service for the duration of the emergency. A customer found not to be in compliance during a non-fuel emergency may have its electric service disconnected without prior written notification. Customers not in compliance may be charged \$50 for each kilowatt hour used in violation of a curtailment directive. This charge will be applied only to measurable usage that exceeds the amount allowed to be consumed by the customer under the relevant curtailment directive.

Date of Issue: December 29, 2003
Issued By
Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

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 - c. Reduce LG&E's own uses of electric energy in offices, plants, and other facilities to the extent possible.
 - d. Curtail interruptible customers.
 - e. Utilize generation facilities fired by secondary fuels to the extent such fuels are available.
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3. The following actions may be initiated concurrently or in any order depending upon conditions present at the time.
 - a. Urge all customers to voluntarily conserve electric energy.
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Date Effective: April 14, 1996
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R. M. Hewett, Group Executive
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 2-D
P. S. C. of Ky. Electric No. 5

STANDARD RIDER	Prepaid Metering Pilot Program	HEA
APPLICABLE	In all territory served by the Company.	
AVAILABILITY	To all residential customers.	
RATE	10¢ per meter per month.	
BILLING	The HEA charge shall be shown as a separate item on customer bills.	
SERVICE PERIOD	The Home Energy Assistance charge will be applied to all residential electric bills rendered during the billing cycles commencing February 1, 2002 through May 31, 2002, or as otherwise directed by the Public Service Commission. Proceeds from this charge will be used to fund residential low-income demand-side management Home Energy Assistance programs which have been designed through a collaborative advisory process.	

Original Sheet No. 2-D is Deleted

Date of Issue: April 22, 2002

Issued By: _____ Date Effective: With Bills Rendered On and After February 1, 2002

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 1/29/02 in Case No. 2001-00323

Louisville Gas and Electric Company

Third Revision of Original Sheet No. 3
P. S. C. of Ky., Electric No. 5

STANDARD RATE SCHEDULE	WH
Water Heating Rate	
APPLICABLE in all territory served.	
AVAILABILITY - RESTRICTED Available to residential and commercial customers for electric service automatic storage electric water heaters of approved type, in conjunction with electric service for other purposes at the same location, under the terms and conditions herein specified. This rate schedule will continue to be available only to customers that were served hereunder on August 20, 1974, and will not be available for the addition of new customers.	
RATE Customer Charge: \$0.94 per meter per month 4.025¢ per kilowatt-hour.	
FUEL CLAUSE The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the Fuel Clause set forth on Sheet No. 24 of this Tariff.	
MINIMUM BILL The customer charge.	
PROMPT PAYMENT PROVISION The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
SPECIAL TERMS AND CONDITIONS 1. To be eligible for service under this rate, water heaters must conform to the specifications herein set forth. Any water heater which does not conform to these specifications will be billed under the rate applicable to other electric service at the same premises. 2. Approved water heaters shall be of the automatic insulated storage type having a tank size not less than 30 gallons, equipped with either one or two 240-volt non-inductive heating elements, each controlled by a separate thermostat. Two-element heaters shall be so connected that only one element can be in operation at any one time.	

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Cancelling Second Revision of
Original Sheet No. 3
Issued November 11, 2003

Issued By

Date Effective: May 1, 2003

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 In Case No. 2003-00434

Original Sheet No. 3 is Deleted

STANDARD RATE SCHEDULE **WH**
Water Heating Rate (Continued)

3. The water heater shall be served at 240 volts (nominal) through a separate meter over a special circuit run in conduit or approved flexible metallic cable with no service outlets in the circuit or on the heater. The Company will furnish and maintain such separate meter. The customer shall make suitable provision for the installation and connection of such meter in the water heater circuits.
4. This rate shall be applicable only to heaters used to supply hot water for ordinary domestic or domestic-type uses, and shall not be applicable to heaters supplying hot water for heat transfer or similar purposes.
5. In no event shall the wattage of any heater exceed the maximum allowances set forth below:

Tank Sizes in Gallons	Maximum Capacity in Watts		
	Single Element Heater	Two Element Lower Element	Upper Element
30 to 39	1000	1000	1000
40 and over	4500	4500	4500

Applicability of Rules:
Service under this rate schedule is subject to Company's rules and regulations governing the supply of electric service as incorporated in this Tariff.

Original Sheet No. 4 is Deleted

Date of Issue: February 21, 2000 Issued By Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 177/00 in Case No. 98-426

STANDARD RIDER

Special Rate for Electric Space Heating Service -- Rate GS

APPLICABLE
To General Service Rate GS

AVAILABILITY

The special rate set forth in this rider shall be available during the eight monthly billing periods from October through May (hereinafter called "heating season") to customers regularly taking electric service under Rate GS. Such special rate shall apply to separately metered service to electric space heating equipment installed and operated in accordance with the terms and conditions herein set forth.

RATE

Customer Charge: \$2.27

For all consumption recorded on the separate meter during the heating season the rate shall be 4.263¢ per kilowatt-hour.

This special rate shall be subject to the Primary Service Discount, Fuel Clause, DSM Cost Recovery Mechanism, Environmental Cost Recovery Surcharge, and Prompt Payment Provision as are embodied in Rate GS. During the four non-heating season months any electric usage recorded on the separate space heating meter shall be billed at the Kwh charge under Rate GS.

MINIMUM BILL

The customer charge. This minimum charge is in addition to the regular monthly minimum of Rate GS to which this rider applies.

SPECIAL TERMS AND CONDITIONS

1. Service under this rider is available only upon written application and subject to Company's inspection for the purpose of establishing eligibility of customer's heating installation for service hereunder. All electrical equipment and wiring, including provision for the installation of Company's meters, shall be subject to the approval of the Company.
2. The design, type, and manner of operation of customer's space heating installation served hereunder must be acceptable to Company. The heating equipment shall be of approved type, designed and used as the primary and predominating source of heat during the full heating season for a building or an enclosed and well-defined section of a building. Under no circumstances will this rider apply to an electric heating installation used as a supplement to some other form of space heating.

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Michael S. Bear, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 4/23/03 in Case No. 2003-00434

Louisville Gas and Electric Company

**Original Sheet No. 8
P. S. C. of Ky. Electric No. 5**

STANDARD RIDER

Special Rate for Electric Space Heating Service – Rate GS (Continued)

3. The heating equipment served hereunder shall be supplied with electrical energy through one or more special circuits so designed and constructed that no other electricity-consuming devices may be connected thereto. Provided, however, that when air cooling or air circulating equipment is operated in connection with the heating equipment served hereunder and it is impracticable to supply such equipment through regular non-heating circuits, then such equipment may be connected to this special circuit or circuits and the electric consumption thereof will be billed at the kilowatt-hour rate specified herein.
4. The eight monthly billing periods referred to above as the heating season shall start with the monthly period covered by regular October meter readings and shall end with the period covered by the regular meter readings in May of the succeeding year.

Original Sheet No. 8 is Deleted

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Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville Gas and Electric Company
Issued Pursuant to K.P.S.C. Order of 1/7/00 in Case No. 98-425

Louisville Gas and Electric Company

First Revision of Original Sheet No. 9-A
P. S. C. of Ky. Electric No. 5

D

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R. M. Hewett, Group Executive
Louisville, Kentucky

Louisville Gas and Electric Company

First Revision of Original Sheet No. 9-B
P. S. C. of Ky. Electric No. 5

D

~~CANCELED AND WITHDRAWN~~

Original Sheet No. 9-B is Deleted

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R. M. Hewitt, Group Executive
Louisville, Kentucky

Louisville Gas and Electric Company

First Revision of Original Sheet No. 9-C
P. S. C. of Ky. Electric No. 5

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Original Sheet No. 9-C is Deleted

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Original Sheet No. 9-F is Deleted

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R. M. Hewitt, Group Executive
Louisville, Kentucky

STANDARD RIDER

Interruptible Service

APPLICABLE

To Large Commercial Rate LC, Rate LC-TOD, Industrial Power Rate LP and Rate LP-TOD.

AVAILABILITY

This rider is available for interruptible service to any customer whose interruptible demand is at least 1,000 kilowatts.

CONTRACT DEMAND

The contract shall be for a given amount of firm demand which shall be billed at the appropriate standard rate schedule demand charge. Any excess monthly demands above this firm demand shall be considered as interruptible demand.

RATE

The monthly bill for service under this rider shall be determined in accordance with the provisions of either Rate LC, Rate LC-TOD or Rate LP or Rate LP-TOD, except there shall be an interruptible demand credit of \$3.30 per kilowatt per month.

The interruptible demand credit shall be applied to the monthly billing demand in excess of the firm contract demand (but not less than 1,000 kilowatts) determined in accordance with the billing demand provision under the applicable rate schedule, except in the case of service under Rate LC-TOD or Rate LP-TOD, the interruptible credit shall be applied to the billing demands as determined for the peak periods only.

INTERRUPTION OF SERVICE

The Company will be entitled to require customer to interrupt service at any time and for any reason upon providing at least 10 minutes' prior notice. Such interruption shall not exceed 10 hours duration per interruption, nor shall the maximum annual interruption exceed 250 hours.

PENALTY FOR UNAUTHORIZED USE

In the event customer fails to comply with a Company request to interrupt either as to time or amount of power used, the customer shall be billed for the monthly billing period of such occurrence at the rate of \$15.00 per kilowatt of monthly billing demand. Failure to interrupt may also result in the termination of the contract.

TERM OF CONTRACT

The minimum original contract period shall be one year and thereafter until terminated by giving at least 6 months previous written notice, but Company may require that contract be executed for a longer initial term when deemed necessary by the size of the load or other conditions.

APPLICABILITY OF RULES

Except as specified above, all other provisions of Rate LC, Rate LC-TOD, Rate LP, and Rate LP-TOD shall apply.

Original Sheet No. 13-A is Deleted

Date of Issue: February 21, 2000

Issued By

Date Effective: March 1, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 1721/90 in Case No. 90-158

Louisville Gas and Electric Company

**Original Sheet No. 13-B
P. S. C. of Ky. Electric No. 5**

CANCELLED AND WITHDRAWN

Tariff language previously shown
hereon is now on Sheet 13-A.

Original Sheet No. 13-B is Deleted

Date of Issue: February 21, 2008

Issued By

Date Effective: March 1, 2000

R. M. Issewell, Group Executive
Louisville, Kentucky

Louisville Gas and Electric Company

First Revision of Original Sheet No. 23-I
P. S. C. of Ky. Electric No. 5

T

THIS SHEET IS CANCELED AND WITHDRAWN

Original Sheet No. 23-I is Deleted

Date of Issue: June 29, 2001
Canceling Original Sheet No. 23-I
Issued September 23, 1998

Date Effective: July 1, 2001

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 5/11/01 in Case No. 2000-459

Louisville Gas and Electric Company

First Revision of Original Sheet No. 23-L
P. S. C. of Ky. Electric No. 5

D

CANCELED AND WITHDRAWN

Original Sheet No. 23-L is Deleted

Date of Issue: December 15, 2000

Issued By

Date Effective: December 14, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order of 12/8/95 in Case No. 10320

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
Special Terms and Conditions Relating to Application of Residential Rate Schedule R

1. Residential Rate R is based on service to single family units and is not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building the Company will require as a condition precedent to the application of the residential rate that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the customer, the Company will allow service to two or more families to be taken through one meter, but in this event the energy blocks and minimum bills of the residential rate shall be multiplied by the number of families thus served, such number of families to be determined on the basis of the number of kitchens in the building. At the customer's option, in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to one customer at the commercial rate.
2. Family unit service shall include usage of electric energy customarily incidental to home occupations, such as the office of a physician, surgeon, dentist, musician or artist when such occupation is carried on by the customer in his residence.
3. A residential building used to accommodate roomers or boarders for compensation will be billed at the residential rate provided it does not exceed twelve rooms in size. A residential building of more than twelve rooms used to accommodate roomers or boarders for compensation will be classified as commercial and billed at commercial rates. In determining the room rating of rooming and boarding houses all wired rooms shall be counted except hallways, vestibules, alcoves, closets, bathrooms, lavatories, garrrets, attics, storage rooms, trunk rooms, basements, cellars, porches and private garages.
4. Service used in residential buildings occupied by fraternity or sorority organizations associated with educational institutions will be classified as residential and billed at the residential rate.
5. Where both residential and commercial classes of service are supplied through a single meter such combined service shall be classified as commercial and billed at the commercial rate. The customer may arrange his wiring so as to separate the commercial service from the residential service, in which event two meters will be installed by the Company and separate residential and commercial rates applied to the respective classes of service.
6. If a farm customer's barns, pumphouse, or other outbuildings are located at such distance from his residence as to make it impracticable to supply service thereto through his residential meter, the separate meter required to measure service to such remotely located buildings will be considered a separate service contract and billed as a separate customer

Original Sheet No. 25 is Deleted
See Proposed Original Sheet No. 85

Date of Issue: January 26, 1982
Issued By
R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: January 1, 1982
Revised: February 21, 2000

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
Special Terms and Conditions Relating to Application of Residential Rate Schedule R

7. Single-phase power service used for domestic purposes will be permitted under Residential Rate R when measured through the residential meter subject to the conditions set forth below:

- (a) Single-phase motors may be served at 120 volts if the locked-rotor current at rated voltage does not exceed 50 amperes. Motors with locked-rotor current ratings in excess of 50 amperes must be served at 240 volts.
- (b) Single-phase motors of new central residential cooling installations with total locked-rotor ratings of not to exceed 125 amperes (inclusive of any auxiliary motors arranged for simultaneous starting with the compressor) may be connected for across-the-line starting provided the available capacity of Company's electric distribution facilities at desired point of supply is such that, in Company's judgment, the starting of such motors will not result in excessive voltage dips and undue disturbance of lighting service and television reception of nearby electric customers. However, except with Company's express written consent, no new single-phase central residential cooling unit having a total lock-rotor rating in excess of 125 amperes inclusive of auxiliary motors arranged for simultaneous starting with the compressor shall hereafter be connected to Company's lines, or be eligible for electric service therefrom, unless it is equipped with an approved type of current-limiting device for starting which will reduce the initial and incremental starting current inrush to a maximum of 100 amperes per step. Company shall be furnished with reasonable advance notice of any proposed central residential cooling installation.

(c) In the case of multi-motored devices arranged for sequential starting of the motors, the above rules are considered to apply to the locked-rotor currents of the individual motors, if arranged for simultaneous starting of the motors, the rules apply to the sum of the locked-rotor currents of all motors so started.

(d) Any motor or motors served through a separate meter will be billed as a separate customer.

8. No three-phase power service will be rendered under Residential Rate Schedule R. Any residential customer or group of customers desiring to contract for three-phase service for power purposes will be required to advance the cost of extending such service to the premises at which desired and shall be billed for such service at Company's General Service Rate GS.

Original Sheet No. 26 is Deleted

See Proposed Original Sheet No. 85.1

Louisville Gas and Electric Company

**Original Sheet No. 37-A
P. S. C. of Ky. Electric No. 5**

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
Emergency Transmission Curtailment or Interruption of Service

In accordance with the provisions of Senate Bill 257 specifying changes to KAR 278.010 to 278.450, when the Company experiences an emergency or other event on its transmission facilities that necessitates a curtailment or interruption of service, the Company shall not curtail or interrupt retail electric service within its certified territory, except for customers who have agreed to receive interruptible service, until service has been interrupted to all other customers whose interruptions may relieve the emergency or other event.

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Original Sheet No. 37-A is Deleted

Date of Issue: July 18, 2003

Issued By

Date Effective: August 17, 2003

Michael S. Berr, Vice President
Louisville Gas and Electric Company
Issued Pursuant to PSC Order dated 7/20/03 in Case No. 2002-00345

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

Budget Payment Plan

The Company's Budget Payment Plan is available to any residential customer and to any small commercial or industrial customer served exclusively under General Service Rate GS. Small business customers must have a minimum of three months of usage history and a zero balance owed on their account(s) to be eligible for the Budget Payment Plan. Under this plan, customers may elect to pay, each month, a budgeted amount in lieu of monthly billings for actual usage. The budgeted amount will be determined by the Company, and under normal circumstances, will be based on one-twelfth of the customer's usage during the most recent twelve months. The budgeted amount will be subject to review and adjustment by the Company. For a customer with less than twelve months of usage at the current address, the initial budget amount will be based on the type of service. Except as provided above, a customer may enroll in the plan at any time.

Every three months a new average bill amount is calculated based on the customer's most recent twelve months usage. If this amount varies from the current budget amount by more than ten percent, it becomes the new budget amount.

Each year the Company will calculate the difference between the budgeted amounts over the previous twelve months and the monthly billings based on the customer's actual usage over the same period. One-twelfth of this difference will then be credited or charged to the customer in each of the next twelve monthly billings.

If a customer's account is more than two months past due, the Company will notify the customer that the customer's account may be removed from the plan if payment arrangements are not made. The Company reserves the right to revoke the plan, restore the customer to regular billing and require immediate payment of any deficiency.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.

Original Sheet No. 38 is Deleted

See Proposed Original Sheet No. 88

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RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

General Rules

1. Commission Rules and Regulations. All electric service supplied by the Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.
2. Company Rules and Regulations. In addition to the rules and regulations of the Commission, all electric service supplied by the Company shall be in accordance with these "Rules and Regulations Governing the Supply of Electric Service," which shall constitute a part of all applications and contracts for service.
3. Rates, Rules and Regulations on File. A copy of the rate schedules, rules, and regulations under which electric service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, rules, and regulations, together with the law, rules, and regulations of the Commission, is available for public inspection in the office of the Company.
4. Application for Service. A written application or contract, properly executed, may be required before the Company is obligated to render electric service. The Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using electric service is clearly outside the scope of Company's standard rate schedules, Company may establish special contracts giving effect to such unusual circumstances.

5. Transfer of Application. Applications for electric service are not transferable and new occupants of premises will be required to make application for service before commencing the use of electricity. Customers who have been receiving electric service shall notify the Company when discontinuance of service is desired, and shall pay for all electric service furnished until such notice has been given and final meter readings made by the Company.

6. Deposits. The Company may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 278.460, will be paid annually either by refund or credit to the customer's bills, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.

The deposit may be waived upon a customer's showing of satisfactory credit or payment history, and residential deposits will be returned after one (1) year, non-residential after three (3) years, if the customer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The Company may require a

Original Sheet No. 41 is Deleted

See Proposed Original Sheet Nos. 81; 82; 87; 87.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

General Rules (Continued)

deposit in addition to the initial deposit if the Customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts, and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria will be considered:

1. Credit worthiness determined by information obtained from an independent credit scoring provider.
2. An irrevocable letter of credit sufficient to cover the amount determined for payment assurance.
3. Length of time the customer has had service with the Company.
4. Whether the customer owns the property.
5. Whether the customer has filed prior bankruptcy proceedings.
6. A security interest in collateral provided by the customer sufficient to cover the amount determined for payment assurance.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

Residential customers with the same type of service will pay equal deposits according to the following schedule:

Appliances in Use	Deposit
Electric Water Heater	\$ 25.00
Electric Lights, Refrigerator, Small Appliances	45.00
Gas, Include Range, Water Heater/ or either	20.00
Electric and Gas (1 and 2 above)	65.00
Electric, Gas Heating	120.00
Electric, Gas, Electric Water Heating	90.00
Electric, Gas Heating, Electric Water Heating	145.00
Electric Air Conditioning (Window Units)	85.00
Electric Heat, Electric Air Conditioning (Window Units)	150.00
Central Air Conditioning	110.00
Spaces Heat and Central Air Conditioning	180.00
Electric, Electric Water Heating	70.00
Electric Heating only	120.00
Gas Heating	75.00
Gas, Heating, Air Conditioning	110.00
Maximum Deposit Required	180.00

Original Sheet No. 42 is Deleted
See Proposed Original Sheet Nos. 87; 87.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
General Rules (Continued)

For industrial or commercial accounts, customer deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

7. Monitoring of Customer Usage. In order to detect unusual deviations in individual customer consumption, the Company will monitor the usage of each customer at least once annually. Should an unusual deviation in the customer's consumption be found which cannot be attributed to a readily identified common cause, the Company will perform a detailed analysis of the customer's monthly meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5). In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

8. Company's Equipment and Installation. The Company will furnish, install, and maintain at its expense the necessary service drop or service line required to deliver electricity to the customer's electric facilities at the voltage contracted for.

The Company will furnish, install, and maintain at its expense the necessary meter or meters. (The term meter as used here and elsewhere in these rules and regulations shall be considered to include all associated instruments and devices, such as current and potential transformers, installed for the purpose of measuring deliveries of electricity to the customer.) Suitable provision for the Company's meter, including an adequate protective enclosure for the same if required, shall be made by the customer. Title to the meter shall remain in the Company, with the right to install, operate, maintain, and remove same. The customer shall protect such property of the Company from loss or damage, and no one who is not an agent of the Company shall be permitted to remove, damage or tamper with the same. The customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or

Original Sheet No. 43 is Deleted

See Proposed Original Sheet Nos. 83; 86.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
General Rules (Continued)

industrial service shall furnish the Company with realistic estimates of prospective electricity requirements.

9. Customer's Equipment and Installation. The customer shall furnish, install and maintain at his expense all electrical apparatus and wiring to connect with Company's service drop or service line. All such apparatus and wiring shall be installed and maintained in conformity with applicable statutes, laws or ordinances and with the rules and regulations of the constituted authorities having jurisdiction. The customer shall not install wiring or connect and use any motor or other electricity-using device which in the opinion of the Company is detrimental to its electric system or to the service of other customers of the Company. The Company assumes no responsibility whatsoever for the condition of the customer's electrical wiring, apparatus, or appliances, nor for the maintenance or removal of any portion thereof.

10. Point of Delivery of Electricity. The point of delivery of electrical energy supplied by the Company shall be at the point, as designated by the Company, where Company's facilities are connected with the facilities of the customer, irrespective of the location of the meter.

11. Access to Premises and Equipment. The Company shall have the right of access to the customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of electric service or for the purpose of turning on and shutting off the supply of electricity when necessary and for all other proper purposes. The customer shall not construct or permit the construction of any structure or device which will restrict the access of the Company to its equipment for any of the above purposes.

12. Company Not Liable for Damage on Customer's Premises. The Company is merely a supplier of electricity delivered to the point of connection of Company's and the customer's facilities, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of the customer or of third persons resulting from the presence, use or abuse of electricity on the customer's premises or resulting from defects in or accidents to any of customer's wiring, equipment, apparatus, or appliances, or resulting from any cause whatsoever other than the negligence of the Company.

13. Company Not Liable for Interruptions. The Company will exercise reasonable care and diligence in an endeavor to supply service continuously and without interruption but does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of electric service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of the Company.

14. Character of Service. The Company supplies alternating current with a nominal frequency of 60 cycles per second. Direct current service, which has been supplied to a limited number of customers in a limited area, is not available for any new connection nor for any increase in the capacity of existing direct current loads.

Original Sheet No. 44 is Deleted
See Proposed Original Sheet Nos. 82; 82.1; 83; 83.1; 84

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

General Rules (Continued)

Company's electric service is supplied at the following nominal voltages and phases:

Secondary Distribution Voltages

Residential Service. Single Phase 120 volts two wire or 120/240 volts three wire.

Commercial and Industrial Service. Single Phase 120/240 volts three wire. Three phase 240 volts three wire, 480 volts three wire, 120/208Y volts four wire or 277/480Y volts four wire.

Primary Distribution Voltages

According to location, 2400/4160Y volts, 7200/12,470Y volts, 13,800 volts, or 34,500 volts.

Transmission Line Voltages

68,000 volts, 136,000 volts, or 345,000 volts.

The voltage available to any individual customer shall depend upon the voltage of the Company's lines serving the area in which such customer's electric load is located.

15. Application of Service Voltage Differentials. To be eligible for the rate applicable to any voltage level other than distribution secondary voltage, a customer must furnish and maintain complete substation structure, transformers, and other equipment necessary to take service at the distribution primary or transmission line voltage available at point of connection. In the event Company is required to provide a transformer station to reduce an available voltage to a lower voltage for delivery to a customer, the customer shall be served at the rate applicable to the lower voltage; provided, however, that if the same rate is applicable to both the available voltage and the delivery voltage, the rate will be applied as though the customer were served at the next lower voltage classification from that of the actual delivery voltage. The available voltage shall be the voltage on that distribution or transmission line which the Company designates as being suitable from the standpoint of capacity and other operating characteristics for supplying the requirements of the customer.

16. Manner in which Service May Be Used. Electric service shall not be used for purposes other than as set forth in customer's application or contract. All of the customer's equipment, apparatus and appliances shall have such characteristics or be equipped with corrective devices so as to enable Company to maintain a satisfactory standard of service. Where the customer's use of service is intermittent or subject to violent fluctuations or where the starting characteristics of the customer's electric motors or other apparatus are such as to cause objectionable disturbance on Company's system, the Company shall have the right to require the customer to install at his own expense suitable equipment to reasonably limit such fluctuations or starting currents. Fluorescent lighting, neon signs, or other lighting with similar load characteristics shall have installed means designed to correct the power factor of such equipment to not less than 90% lagging.

Original Sheet No. 45 is Deleted

See Proposed Original Sheet Nos. 84

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

General Rules (Continued)

When a customer fails to install the necessary facilities on his premises to correct the objectionable conditions or to prevent such objectionable conditions from interfering with Company's supply of satisfactory service to other customers, Company shall have the right to deny service to such customer until the objectionable condition shall have been corrected in a manner satisfactory to Company.

17. Notice to Company of Changes in Customer's Load. The service connections, transformers, meters, and appurtenances supplied by Company for the rendition of electric service to its customers have a definite capacity which may not be exceeded without damage. In the event that the customer contemplates any material increase in his connected load, whether in a single increment or over an extended period, he shall immediately give the Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice the customer may be held liable for any damage done to meters, transformers, or other equipment of the Company caused by such material increase in the customer's connected load.

18. Permits. The customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give the Company or its agents access to the customer's premises and equipment and to enable its service to be connected therewith. In case the customer is not the owner of the premises or of intervening property between the premises and the Company's distribution lines the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and in or about such intervening property of all such wiring or other customer-owned electrical equipment as may be necessary or easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, the Company shall obtain the aforementioned consent.

The construction of electric facilities to provide service to a number of customers in a manner consistent with good engineering practice and the least public inconvenience sometimes requires that certain wires, guys, poles, or other appurtenances on a customer's premises be used to supply service to neighboring customers. Accordingly, each customer taking Company's electric service shall grant to Company such rights on or across his or her premises as may be necessary to furnish service to neighboring premises, such rights to be exercised by the Company in a reasonable manner and with due regard for the convenience of the customer.

The Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under the customer's application until a reasonable time after such permits are granted.

19. Resale of Electric Energy. Electric energy furnished under the Company's standard application or contract is for the use of the customer only and no customer shall resell such energy to any other person, firm, or corporation on the customer's premises or for use on any other premises without the written consent of Company. If energy is resold in accordance with such written consent of Company, the energy may be resold only under one

Original Sheet No. 46 is Deleted

See Proposed Original Sheet Nos. 82.2; 86.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
General Rules (Continued)

of the following two procedures: (1) the monthly bill for electric service shall be divided by the total kWh's delivered to the customer during the month by LG&E and the resulting cost per Kwh shall then be applied to the Kwh's of energy used by each end-user; or (2) such energy shall be resold at rates which are identical to the rates which would be charged by the Company for like and contemporaneous service.

20. Meter Readings and Bills. Bills for electric service will be rendered monthly unless otherwise specified. A month as referred to herein and in the Company's rate schedules means the period between two consecutive meter readings, such readings to be taken as nearly as feasible thirty days apart.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days the rate blocks and minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's electric meter fails to register properly by reason of damage, accident, etc., the Company shall have the right to estimate the customer's consumption during the period of failure on the basis of such factors as the customer's connected load and his consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where the Company serves a customer with both electric and gas service at the same service location, the Company will render a combined bill. Provided, however, a residential customer may request, and the Company will render, separate bills under the following conditions: (1) the customer is being threatened with disconnection for nonpayment or has already been disconnected for that reason and (2) the customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable in their net amount at the office of the Company during business hours, or at other locations designated by the Company, within 15 days from the date of rendition thereof. In the event bill is not paid on or before the final day of the 15 day net payment period, the gross bill including forfeited discount or delayed payment charge shall become due and payable at the office of the Company.

Failure to receive a bill does not exempt a customer from these provisions.

21. Readings of Separate Meters Not Combined. For billing purposes each meter upon the customer's premises will be considered separately and readings of two or more meters will not be combined except where combinations of meter readings are specifically provided for in the applicable

Original Sheet No. 47 is Deleted

See Proposed Original Sheet No. 86

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE

General Rules (Continued)

rate schedules, or where Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

22. Company's Right to Refuse or Discontinue Service. In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, the Company shall have the right to refuse or discontinue to serve an applicant or customer under the following conditions:

A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce the customer to comply with its rules and then only after the customer has been given at least 10 days written notice of such intention, mailed to his last known address.

B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.

C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.

D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.

E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.

F. When directed to do so by governmental authority.

G. Service will not be supplied or continued to any premises if the applicant or customer is indebted to the Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Unpaid balances of previously rendered Final Bills may be transferred to any account for which the customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred and will be subject to the Company's collection and disconnection procedures. Final Bills may be transferred regardless of whether they are for combination gas and electric or gas only or electric only charges. The Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

Service will not be supplied or continued to any premises if at the time of application for service the applicant is merely acting as an agent of a person or former customer who is

Date of Issue: February 14, 2002
Cancelling Original Sheet No. 48
Issued October 30, 1992 and
Refilled February 21, 2000

Issued By

Date Effective: January 30, 2002

Michael S. Bear, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of January 30, 2002 in Case No. 2001-248

Original Sheet No. 48 is Deleted

See Proposed Original Sheet No. 90

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
General Rules (Continued)

indebted to the Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where the applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to the Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.

H. For non-payment of bills. The Company shall have the right to discontinue service for non-payment of bills after the customer has been given at least ten days written notice, separate from his original bill. Cut-off may be effected not less than 27 days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than 30 days from the original date of discontinuance. The Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.

I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. Within twenty-four (24) hours after such termination, the Company shall send written notification to the customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. The Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. The Company shall not be required to restore service until the customer has complied with all rules of the Company and regulations of the Commission and the Company has been reimbursed for the estimated amount of the service rendered and the cost to the Company incurred by reason of the fraudulent use.

23. **Temporary and Short Term Service.** The customer shall pay the cost of all material, labor and expense incurred by the Company in supplying electric service for any temporary or short term use, in addition to the regular rates for service without prorating of rate blocks or minimum bills for service of less than thirty days in a regular meter reading period.

24. **Charge for Disconnecting and Reconnecting Service.** A charge of \$18.50 will be made to cover disconnection and reconnection of electric service when discontinued for non-payment of bills or for violation of the Company's rules and regulations, such charge to be made before reconnection is effected, if both gas and electric services are reconnected at the same time, the total charge for both services shall be \$18.50. No charge will be made under this rule 24 for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.

Residential and general service customers may request and be granted a temporary suspension of electric service. In the event of such temporary suspension, Company will make a charge of \$18.50

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Cancelling First Revision of
Original Sheet No. 49
Issued October 16, 2000

Issued By
Date Effective: January 30, 2002

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of January 30, 2002 in Case No. 2001-248

Original Sheet No. 49 is Deleted

See Proposed Original Sheet Nos. 49; 90.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF ELECTRIC SERVICE
General Rules (Continued)

to cover disconnection and reconnection of electric service, such charge to be made before reconnection is effected, if both gas and electric services are reconnected at the same time, the total charge for both services shall be \$18.50.

25. Choice of Optional Rates. When two or more rate schedules are available for the same class of service and the customer is undecided as to which schedule will result in the lowest annual cost, the Company will assist the customer in the choice of the most favorable schedule, the customer then to designate the schedule he desires. In those cases in which the most favorable schedule is difficult to pre-determine, the customer will be given the opportunity to change to another schedule after trial of the schedule originally designated; provided, however, that, after the first such change, the Company may not be required to make a change in schedule more often than once in twelve months.

While the Company will endeavor to assist customers in the choice of the most advantageous schedule, it does not guarantee that customers will at all times be served under the most favorable rate, nor will the Company make refunds representing the difference in charges between the rate under which service has actually been billed and another rate applicable to the same class of service.

26. Charge for Returned Check. When any customer's check tendered in payment of a bill for service is returned by a bank as unpaid, the customer will be charged a fee of \$7.50 to cover the cost of further processing of the account.

Original Sheet No. 50 is Deleted

See Proposed Original Sheet Nos. 49; 82

Date of Issue: February 14, 2002 Issued By Date Effective: January 30, 2002

Canceling First Revision of
Original Sheet No. 50
Issued October 16, 2000

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of January 30, 2002 in Case No. 2001-248

LG&E's Present and Proposed Tariffs – Comparison Gas

LOUISVILLE GAS AND ELECTRIC COMPANY

of
220 West Main Street
Louisville, Kentucky

Rates, Rules and Regulations for Furnishing

NATURAL GAS SERVICE

in
Entire Service Area of the Company

Filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

Date of Issue
October 16, 2000

Date Effective
September 27, 2000

Issued by
Robert M. Hawett, Group Executive
Louisville, Kentucky

Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky

Rates, Terms and Conditions for Furnishing

NATURAL GAS SERVICE

In the sixteen counties of the Louisville, Kentucky, metropolitan area
as depicted on territorial maps as filed with the

**PUBLIC SERVICE COMMISSION
OF KENTUCKY**

Date of Issue
December 29, 2003

Date Effective
February 1, 2004

Issued by
Michael S. Beer, Vice President

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Date of Issue: June 6, 2002
Canceling Second Revision of
Original Sheet No. 1
Issued December 7, 2001

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: August 1, 2002

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Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

STANDARD RATE SCHEDULE		RGS
Residential Rate		
APPLICABLE In all territory served.		
AVAILABILITY OF SERVICE Available for residential customers.		
RATE	Customer Charge:	\$7.00 per delivery point per month
	Charge Per 100 Cubic Feet:	
	Distribution Cost Component	13.457¢
	Gas Supply Cost Component	72.454
	Total Charge Per 100 Cubic Feet	85.911¢
The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.		
Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.		
DSM & ENERGY EFFICIENCY COST RECOVERY MECHANISM The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.		
MINIMUM BILL The customer charge.		
PROMPT PAYMENT PROVISION The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.		
APPLICABILITY OF RULES Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.		

Date of Issue: October 31, 2003
Cancelling Fiftieth Revision of Original Sheet No. 2
Issued July 24, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

Date Effective: November 1, 2003

STANDARD RATE SCHEDULE		RGS
Residential Gas Service		
APPLICABLE In all territory served.		
AVAILABILITY OF SERVICE Available for residential customers.		
RATE	Customer Charge:	\$10.80 per delivery point per month
	Charge Per 100 Cubic Feet:	
	Distribution Cost Component	15.352¢
	Gas Supply Cost Component	72.454
	Total Charge Per 100 Cubic Feet	87.806¢
The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Rate-making Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.		
Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.		
ADJUSTMENT CLAUSES The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following: Demand Side Management Cost Recovery Mechanism Sheet No. 71 Weather Normalization Adjustment Sheet No. 73 Franchise Fee and Local Tax Sheet No. 74 Value Delivery Surecredit Rider Sheet No. 75 School Tax Sheet No. 76		
MINIMUM CHARGE The customer charge.		
LATE PAYMENT CHARGE The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.		
TERMS AND CONDITIONS Service will be furnished under Company's Terms and Conditions applicable hereto.		

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE **VFD**
Volunteer Fire Department Rate

APPLICABLE
In all territory served by the Company.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as:
1) having at least 12 members and a chief,
2) having at least one fire fighting apparatus, and
3) more than half the members must be volunteer.

RATE

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:	13.457¢
Distribution Cost Component	72.454
Gas Supply Cost Component	85.911¢
Total Charge Per 100 Cubic Feet	

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

MINIMUM BILL

The Customer Charge will be the minimum bill.

ADJUSTMENT CLAUSES

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with:

Demand Side Management Cost Recovery Mechanism	Sheet No. 11
Value Delivery Surcredit	Sheet No. 11-F
Franchise Fee	Sheet No. 11-G

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

RULES AND REGULATIONS

Service under this rate schedule is subject to the Company's rules and regulations or terms and conditions as approved by the Public Service Commission of Kentucky and as incorporated in this Tariff.

Date of Issue: October 31, 2003
Cancelling Fifth Revision of
Original Sheet No. 5
Issued July 24, 2003

Issued By

Date Effective: November 1, 2003

Michael S. Bear, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

STANDARD RATE SCHEDULE **VFD**
Volunteer Fire Department Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as:
1) having at least 12 members and a chief,
2) having at least one fire fighting apparatus, and
3) more than half the members must be volunteer.

RATE

Customer Charge: \$10.80 per delivery point per month

Charge Per 100 Cubic Feet:	15.352¢
Distribution Cost Component	72.454
Gas Supply Cost Component	87.806¢
Total Charge Per 100 Cubic Feet	

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Rate-making Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 6.1
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE **VFD**
Volunteer Fire Department Service

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

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Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Baer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE	CGS
Firm Commercial Gas Service	
APPLICABLE In all territory served.	
AVAILABILITY Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.	
RATE	
Customer Charge If all of the customer's meters have a capacity < 5000 cf/hr:	\$16.50 per delivery point per month
If any of the customer's meters have a capacity ≥ 5000 cf/hr:	\$117.00 per delivery point per month
Charge Per 100 Cubic Feet	13.457¢
Distribution Cost Component	72.454
Gas Supply Cost Component	85.911¢
Total Charge Per 100 Cubic Feet	
The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.	
Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.	
DSM COST RECOVERY MECHANISM The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.	
MINIMUM BILL The customer charge.	
PROMPT PAYMENT PROVISION The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
APPLICABILITY OF RULES Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.	

Date of Issue: October 31, 2003
Cancelling Fifteenth Revision of Original Sheet No. 3
Issued July 24, 2003

Date Effective: November 1, 2003

Issued By

Michael S. Bear, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

STANDARD RATE SCHEDULE	CGS
Firm Commercial Gas Service	
APPLICABLE In all territory served.	
AVAILABILITY OF SERVICE Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.	
RATE	
Customer Charge If all of the customer's meters have a capacity < 5000 cf/hr:	\$ 16.50 per delivery point per month
If any of the customer's meters have a capacity ≥ 5000 cf/hr:	\$117.00 per delivery point per month
Charge Per 100 Cubic Feet	14.830¢
Distribution Cost Component	72.454
Gas Supply Cost Component	87.284¢
Total Charge Per 100 Cubic Feet	
The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Rate-making Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.	
Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.	
ADJUSTMENT CLAUSES The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:	
Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76
MINIMUM CHARGE The customer charge.	
LATE PAYMENT CHARGE The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
TERMS AND CONDITIONS Service will be furnished under Company's Terms and Conditions applicable hereto.	

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Bear, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE IGS
Firm Industrial Gas Service

APPLICABLE
In all territory served.

AVAILABILITY

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:
If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month
If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:
Distribution Cost Component 13.457¢
Gas Supply Cost Component 72.454
Total Charge Per 100 Cubic Feet 85.911¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

Date of Issue: October 31, 2003
Cancelling Effective Revision of
July 24, 2003
Issued July 24, 2003
Date Effective: November 1, 2003

Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE IGS
Firm Industrial Gas Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:
If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month
If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:
Distribution Cost Component 14.830¢
Gas Supply Cost Component 72.454
Total Charge Per 100 Cubic Feet 87.284¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Rate-making Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism Sheet No. 71
Franchise Fee and Local Tax Sheet No. 74
Value Delivery Surcredit Rider Sheet No. 75
School Tax Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE **AAGS**
As-Available Gas Service

APPLICABLE
in all territory served.

AVAILABILITY OF SERVICE

This rate schedule is designed to make available to commercial and industrial customers quantities of natural gas that Company may from time to time have available for sale without impairment of service to customers served under other higher priority rate schedules, and which can be supplied from Company's existing distribution system, subject to the special conditions hereinafter set forth.

This rate shall not be available for gas loads which are predominantly space heating in character. In order to ensure that this rate schedule shall not be available for loads which are predominantly space heating in character and which do not consume substantial quantities of gas throughout the year, customers served hereunder shall be required to consume, when gas is available, at least 50 Mcf each day during each billing cycle at each individual Delivery Point.

Customers served under Rate G-6 and Rate G-7 as of the first effective date of this Rate AAGS shall have the right to elect service under Rate AAGS, Rate CGS, or Rate IGS. Such Customers that elect to transfer from either Rate G-6 or Rate G-7 to service under Rate AAGS may do so without complying with the requirement set forth above that customers served hereunder shall be required to consume, when gas is available, at least 50 Mcf each day during each billing cycle at each individual Delivery Point. Customers not electing service under either Rate CGS or Rate IGS shall receive service hereunder upon the first effective date hereof, irrespective of the November 1 start-date set forth in "Contract-Term" below.

COMPANY NOT OBLIGATED TO CONTINUE SERVICE

Company shall have the right to discontinue the supply of natural gas wholly or in part for such period or periods as, in the sole judgment of Company, may be necessary or advisable to enable it to supply the full gas requirements of its customers served under higher priority rate schedules. Nothing herein shall prevent Company from expanding its obligations under such other rate schedules. Company may decline to accept any additional contracts for service hereunder.

CONTRACT TERM

Customers served under Rate AAGS shall enter a written contract with Company more fully described in the Special Terms and Conditions of this rate schedule. The minimum contract term for service hereunder shall be for a period of at least one (1) year and shall commence on November 1 and be effective through the following October 31, and year to year thereafter, unless terminated by either Company or Customer upon prior written notice on or before the April 30 preceding the October 31 termination date.

Any customer served under Rate CGS or Rate IGS shall provide notice to Company by April 30 of its request for service to be effective commencing on the following November 1.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 20.1
P.S.C. of Ky. Gas No. 6

N

STANDARD RATE SCHEDULE **AAGS**
As-Available Gas Service

RATE

Customer Charge: \$150.00 per delivery point per month

Charge Per Mcf	
Distribution Cost Component	\$.5053
Gas Supply Cost Component	7.2454
Total Charge Per Mcf	\$7.7507

The "Gas Supply Cost Component" as shown above is the cost per Mcf determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

PENALTY FOR FAILURE TO INTERRUPT

Company shall have the right to interrupt sales service under this rate schedule upon eighteen (18) hours' prior notice. Provision of oral notice by telephone to Customer shall be deemed proper notice of interruption of service under this rate schedule.

In addition to the charges set forth above, if the Customer fails to discontinue the consumption of natural gas at its facility at the conclusion of the eighteen- (18-) hour notice period, the Company may charge the Customer the following penalty for each Mcf used during the period of interruption in addition to any other remedy available to Company, including, but not limited to, immediate termination of service under this rate schedule, irrespective of the provisions set forth on "Contract Term", and immediate transfer by Company to either Rate CGS or Rate IGS, as applicable.

Customer shall be charged a per Mcf penalty charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion--South Point on the day to which such interruption of service is applicable, plus any other charges under this rate schedule for such unauthorized usage by Customer that occurs following the conclusion of the eighteen- (18-) hour notice of interruption by Company to Customer.

If Customer is delivering quantities of gas to Company pursuant to Rate TS during such period of interruption, the charge described in the immediately preceding paragraph shall be applicable only to those quantities used by customer in excess of those being delivered by Customer to Company.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville Kentucky

Louisville Gas and Electric Company

Original Sheet No. 20.2
P.S.C. of Ky. Gas No. 6

N

STANDARD RATE SCHEDULE **AAGS**
As-Available Gas Service

Company shall not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of this rate schedule. Payment of penalty charges hereunder shall not be considered an exclusive remedy for failure to comply with the notice of interruption, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

SPECIAL TERMS AND CONDITIONS

1. Service shall be supplied hereunder only at such times and in such volumes as Company, in its sole judgment, determines that gas is available for such service without impairment of service supplied under other rate schedules.
2. Each customer served hereunder shall be required to enter into a written contract specifying, among other things, realistic monthly requirements for gas under this rate schedule. Such volumes shall be used as the basis for apportionment of gas when the total customer requirements exceed the quantity of gas available for service hereunder.
3. The customer shall contract under this rate schedule for a specified quantity of gas stated in terms of maximum required deliveries in Mcf per day. On no day shall the Company be obligated to supply gas in excess of such contract quantity. In no case will Company be obligated to supply gas to Customer at greater volumes and greater rates of flow than those historically delivered by Company to Customer.
4. Customer shall discontinue taking service upon applicable notice by Company to do so.
5. No gas service whatsoever to Customer's equipment or process served hereunder shall be supplied or permitted to be taken under any other of the Company's gas rate schedules during periods of interruption.
6. Upon commencement of service hereunder, Customer shall be required to certify that Customer's alternate fuel facilities are operational and alternate fuel is on site and capable of use. LG&E may, at its discretion, verify such certification through physical inspection of Customer's facility. In the event that Customer does not have alternate fuel facilities, Customer shall certify that the processes which utilize gas delivered hereunder are capable of complete discontinuance of natural gas use. LG&E may request Customer to verify either of the foregoing alternatives on an annual basis on or before October 1 of each year. Failure of Customer to annually certify either of the above alternatives shall result, in the sole discretion of Company, in immediate termination of service under this rate schedule and the immediate transfer to the appropriate firm sales rate schedule, either Rate CGS or Rate IGS.
7. Service hereunder must be supplied through a separate meter and physically isolated from any other service provided by Company under other rate schedules.
8. Company shall not be obligated to install or construct any facilities (other than necessary meters and regulators) in order to provide service hereunder.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE **AAGS**
As-Available Gas Service

9. Any Customer contracting for service hereunder, other than a Customer transferring from either Rate G-6 or Rate G-7 as stipulated above, may be required, in the sole discretion of Company, either prior to electing service hereunder or at anytime thereafter, to have appropriate remote metering devices. The remote metering devices allow the Company to monitor the Customer's usage and determine compliance with notice of interruption of service hereunder. The Customer shall be responsible for the cost of the remote metering equipment and the cost of its installation.

Any Customer required to have remote metering as described above shall be responsible for making any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in order to facilitate the installation and operation of such remote metering.

Any Customer required to have remote metering shall be responsible for providing the necessary and adequate electric and telephone service to provide this metering within thirty (30) days of Company's notice to Customer that such remote metering shall be required. Electric and telephone services installed for this equipment shall conform to Company's specifications. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide such remote metering.

LATE PAYMENT CHARGE

The bill shall be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 1% thereof, which amount shall be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto, to the extent that such Terms and Conditions are not in conflict, nor inconsistent, with the specific provisions hereof.

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STANDARD RIDER

Gas Transportation Service/Standby - Rate TS

APPLICABLE
In all territory served.

AVAILABILITY

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate G-6 who consume at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

Distribution Charge Per Mcf	CGS	IGS	G-6
Pipeline Supplier's Demand Component	\$1,3457	\$1,3457	\$.6855
Total	1.0966	2.4423	1.0966
			\$1,7821

The "Distribution Charge" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's quarterly Gas Supply Clause.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

Date of Issue: October 31, 2003
Cancelling Thirteenth Revision of Original Sheet No. 9
Issued July 24, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

Date Effective: November 1, 2003

STANDARD RATE SCHEDULE

Gas Transportation Service/Standby TS

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate AAGS who consume at least 50 Mcf each day during the billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

Distribution Charge Per Mcf	CGS	IGS	AAGS
Pipeline Supplier's Demand Component	\$1,4830	\$1,4830	\$.5053
Total	1.0966	1.0966	1.0966
			\$2,5796
			\$1,6019

The "Distribution Charge" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's Gas Supply Clause.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 75

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS (Continued)

IMBALANCES

Company will calculate on a monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volumes}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volumes}}$$

CASH-OUT PROVISION FOR POSITIVE MONTHLY IMBALANCES (STANDBY SERVICE)

Company will provide standby quantities of natural gas hereunder for purposes of supplying Customers' requirements should Customer be unable to obtain sufficient transportation volumes. Such standby service will be provided at the same rates and under the same terms and conditions as those set forth in the Company's applicable rate schedule under which it sells gas to Customer.

CASH-OUT PROVISION FOR NEGATIVE MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from customer at a price which is determined by multiplying the appropriate percentage specified below times the monthly average of the daily mid-point prices posted in "Gas Daily" for Dominion South Point for the month during which the negative imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly negative imbalance percentage to be applied as follows:

When Total Net Negative Balance Percentage is:

- 0% to ≤5% 100%
- >5% to ≤10% 90%
- >10% to ≤15% 80%
- >15% to ≤20% 70%
- >20% 60%

The following percentage shall be multiplied by the monthly average "Gas Daily" Price for Dominion South Point:

STANDARD RATE SCHEDULE

TS
Gas Transportation Service/Standby

IMBALANCES

Company will calculate on a monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volumes}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volumes}}$$

CASH-OUT PROVISION FOR POSITIVE MONTHLY IMBALANCES (STANDBY SERVICE)

Company will provide standby quantities of natural gas hereunder for purposes of supplying Customers' requirements should Customer be unable to obtain sufficient transportation volumes. Such standby service will be provided at the same rates and under the same terms and conditions as those set forth in the Company's applicable rate schedule under which it sells gas to Customer.

CASH-OUT PROVISION FOR NEGATIVE MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from customer at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the lowest daily mid-point price posted in "Gas Daily" for Dominion South Point during the month in which the negative imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly negative imbalance percentage to be applied as follows:

When Total Net Negative Balance Percentage is:

- 0% to ≤5% 100%
- >5% to ≤10% 90%
- >10% to ≤15% 80%
- >15% to ≤20% 70%
- >20% 60%

The following percentage shall be multiplied by the above referenced "Gas Daily" price for Dominion South Point:

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS (Continued)

The monthly imbalance percentages stated above will be used to calculate the cash-out price for negative imbalances that fall within each category. For example, a Customer with a negative monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's monthly bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

Variations in MMBtu Content:

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following month's bill.

SPECIAL TERMS AND CONDITIONS

1. Service under this rider shall be performed under a written contract between Customer and Company setting forth specific arrangements as to volumes to be transported by Company for Customer, points of delivery, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.
2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours' prior notice of any subsequent changes to scheduled deliveries.
3. In no case will Company be obligated to supply gas to Customer, including both gas sold to Customer and gas transported hereunder, at greater volumes and greater rates of flow than those historically purchased by Customer from Company.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its pipeline transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any Customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

STANDARD RATE SCHEDULE

Gas Transportation Service/Standby

TS

The monthly imbalance percentages stated above will be used to calculate the cash-out price for negative imbalances that fall within each category. For example, a Customer with a negative monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

Variations in MMBtu Content:

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

SPECIAL TERMS AND CONDITIONS

1. Service under this rider shall be performed under a written contract between Customer and Company setting forth specific arrangements as to volumes to be transported by Company for Customer, points of delivery, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.
2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours' prior notice of any subsequent changes to scheduled deliveries.
3. In no case will Company be obligated to supply gas to Customer, including both gas sold to Customer and gas transported hereunder, at greater volumes and greater rates of flow than those historically purchased by Customer from Company.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its pipeline transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any Customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will provide standby quantities of natural gas to Customer as set forth in Customer's standard rate schedule CGS, IGS, or AAGS. In the event of an interruption of sales service to a Customer served under Rate AAGS, as provided for in that rate schedule, Company shall continue to deliver quantities of customer-owned natural gas in amounts equal to such quantities being delivered by pipeline transporter for Customer. During such periods of interruption, a Customer served under Rate AAGS shall not take quantities of natural gas in excess of those being delivered to Company on Customer's behalf. If Customer takes natural gas in excess of such quantities, Customer shall be subject to penalties in accordance with Company's Curtailment Rules.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 9-C
P.S.C. of Ky. Gas No. 5

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS (Continued)

7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will provide standby quantities of natural gas to Customer as set forth in Customer's standard rate schedule CGS, IGS, or G-6. In the event of an interruption of sales service to a Customer served under Rate G-6, as provided for in that rate schedule, Company shall continue to deliver quantities of customer-owned natural gas in amounts equal to such quantities being delivered by pipeline transporter for Customer. During such periods of interruption, a Customer served under Rate G-6 shall not take quantities of natural gas in excess of those being delivered to Company on Customer's behalf. If Customer takes natural gas in excess of such quantities, Customer shall be subject to penalties in accordance with Company's Curtailment Rules.

APPLICABILITY OF RULES

Service under this rider is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff, to the extent that such rules and regulations are not in conflict with nor inconsistent with the specific provisions hereof.

Louisville Gas and Electric Company

Original Sheet No. 25-3
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE

Gas Transportation Service/Standby

TS

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE FT
Firm Transportation Service (Non-Standby)

APPLICABLE

In all territory served.

AVAILABILITY

Available to commercial and industrial customers who consume at least 50 Mcf each day at each individual Delivery Point, have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Company's system through the system of Company's Pipeline Transporter, and have requested Company to utilize its system to transport, by displacement, such customer-owned gas to Customer's place of utilization. Customers electing to transfer from another service shall notify Company on or before April 30 of each year in order to begin receiving service hereunder beginning November 1 of that year. Any such transportation service hereunder shall be conditioned on the Company being granted a reduction in billing demands by its Pipeline Transporter corresponding to the Customer's applicable transportation quantities.

Transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

CHARACTER OF SERVICE

Transportation service under this rate schedule shall be considered firm from the Receipt Point at Company's interconnection with its Pipeline Transporter ("Receipt Point") to the Delivery Point at the Customer's place of utilization ("Delivery Point"), subject to paragraph 6 of the Special Conditions.

The Company's sole obligation hereunder is to redeliver Customer's gas from the Receipt Point to the Delivery Point. Accordingly, Company has no obligation to deliver to the Customer a volume of gas, either daily or monthly, which differs from the volume delivered to the Company at the Receipt Point.

Company will provide service to meet imbalances only on an as-available basis. For purposes used herein, "imbalances" are defined as the difference between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Point. When Company can provide such service, the Utilization Charge for Daily Imbalances shall apply to daily imbalances in excess of $\pm 10\%$ of the delivered volume of gas as set forth herein. Company shall issue an Operational Flow Order as set forth herein during periods when service cannot be provided to meet daily imbalances.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, and any other charges set forth herein, the following charges shall apply:

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

STANDARD RATE SCHEDULE FT
Firm Transportation Service (Non-Standby)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to commercial and industrial customers who consume at least 50 Mcf each day at each individual Delivery Point, have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Company's system through the system of Company's Pipeline Transporter, and have requested Company to utilize its system to transport, by displacement, such customer-owned gas to Customer's place of utilization. Customers electing to transfer from another service shall notify Company on or before April 30 of each year in order to begin receiving service hereunder beginning November 1 of that year. Any such transportation service hereunder shall be conditioned on the Company being granted a reduction in billing demands by its Pipeline Transporter corresponding to the Customer's applicable transportation quantities.

Transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

CHARACTER OF SERVICE

Transportation service under this rate schedule shall be considered firm from the Receipt Point at Company's interconnection with its Pipeline Transporter ("Receipt Point") to the Delivery Point at the Customer's place of utilization ("Delivery Point"), subject to paragraph 6 of the Special Conditions.

The Company's sole obligation hereunder is to redeliver Customer's gas from the Receipt Point to the Delivery Point. Accordingly, Company has no obligation to deliver to the Customer a volume of gas, either daily or monthly, which differs from the volume delivered to the Company at the Receipt Point.

Company will provide service to meet imbalances only on an as-available basis. For purposes used herein, "imbalances" are defined as the difference between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Point. When Company can provide such service, the Utilization Charge for Daily Imbalances shall apply to daily imbalances in excess of $\pm 10\%$ of the delivered volume of gas as set forth herein. Company shall issue an Operational Flow Order as set forth herein during periods when service cannot be provided to meet daily imbalances.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, and any other charges set forth herein, the following charges shall apply:

Administration Charge: \$90.00 per Delivery Point per month

Distribution Charge Per Mcf: \$0.43

Date of Issue: December 28, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

Administration Charge: \$90.00 per Delivery Point per month

Distribution Charge Per Mcf: \$0.43

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in the program pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

IMBALANCES

Company will calculate on a daily and monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volume}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{\text{(Metered Usage - Delivered Volumes)}}{\text{Delivered Volume}}$$

The term daily shall mean the period of twenty-four (24) consecutive hours beginning at 10:00 a. m., Eastern Clock Time.

CASH-OUT PROVISION FOR MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from Customer at a price which is determined by multiplying the appropriate percentage specified below times the monthly average of the daily mid-point prices posted in "Gas Daily" for Dominion South Point for the month during which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Demand Side Management Cost Recovery Mechanism Sheet No. 71
- Franchise Fee and Local Tax Sheet No. 74
- Value Delivery Surcredit Rider Sheet No. 75
- School Tax Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

IMBALANCES

Company will calculate on a daily and monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volume}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{\text{(Metered Usage - Delivered Volumes)}}{\text{Delivered Volume}}$$

The term daily shall mean the period of twenty-four (24) consecutive hours beginning at 10:00 a. m., Eastern Clock Time.

CASH-OUT PROVISION FOR MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from Customer at a price which is determined by multiplying the appropriate percentage specified below times the lowest daily mid-point price posted in "Gas Daily" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

STANDARD RATE SCHEDULE FT
Firm Transportation Service (Non-Standby) (Continued)

When Total Net Negative Imbalance Percentage is:

0% to ≤5% 100%

>5% to ≤10% 90%

>10% to ≤15% 80%

>15% to ≤20% 70%

>20% 60%

If the monthly imbalance is positive (an under-delivery into the Company's system), Customer shall be billed for the monthly imbalance from Company at a price which is determined by multiplying the appropriate percentage specified below times the monthly average of the daily mid-point prices posted in "Gas Daily" for Dominion South Point for the month during which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

When Total Net Positive Imbalance Percentage is:

0% to ≤5% 100%

>5% to ≤10% 110%

>10% to ≤15% 120%

>15% to ≤20% 130%

>20% 140%

The monthly imbalance percentages stated above will be used to calculate the cash-out price for imbalances that fall within each category. For example, a Customer with a monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's monthly bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

VARIATIONS IN MMBTU CONTENT

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following month's bill.

STANDARD RATE SCHEDULE FT
Firm Transportation Service (Non-Standby)

When Total Net Negative Imbalance Percentage is:

0% to ≤5% 100%

>5% to ≤10% 90%

>10% to ≤15% 80%

>15% to ≤20% 70%

>20% 60%

The following percentage shall be multiplied by the above-referenced "Gas Daily" price for Dominion South Point:

If the monthly imbalance is positive (an under-delivery into the Company's system), Customer shall be billed for the monthly imbalance from Company at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the highest daily mid-point price posted in "Gas Daily" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

When Total Net Positive Imbalance Percentage is:

0% to ≤5% 100%

>5% to ≤10% 110%

>10% to ≤15% 120%

>15% to ≤20% 130%

>20% 140%

The following percentage shall be multiplied by the above-referenced "Gas Daily" price for Dominion South Point:

The monthly imbalance percentages stated above will be used to calculate the cash-out price for imbalances that fall within each category. For example, a Customer with a monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's monthly bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

VARIATIONS IN MMBTU CONTENT

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

UTILIZATION CHARGE FOR DAILY IMBALANCES

Should an imbalance exceed ±10% of the delivered volume of gas on any day when an Operational Flow Order (as described below) has not been issued, then Company shall charge the Utilization Charge for Daily Imbalances times the recorded imbalance greater than ±10% of the delivered volume of gas for each daily occurrence. The Utilization Charge for Daily Imbalances is the sum of the following:

STANDARD RATE SCHEDULE FT
 Firm Transportation Service (Non-Standby)

Daily Demand Charge: \$0.2607 per Mcf
 Daily Storage Charge: 0.1200
 Utilization Charge for Daily Imbalances: \$0.3807 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.

These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed $\pm 10\%$ of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer, or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion South Point on the day for which the OFO was violated, plus any other charges under this rate schedule for such unauthorized receipts or deliveries that occur eighteen (18) hours after notice of the OFO is provided to the Customer or that fall outside the ± 10 percent imbalance tolerance regardless of the notice.

Company will not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of an OFO. Payment of charges hereunder shall not be considered an exclusive remedy for failure to comply with the OFO, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
 Louisville, Kentucky

STANDARD RATE SCHEDULE FT
 Firm Transportation Service (Non-Standby) (Continued)

UTILIZATION CHARGE FOR DAILY IMBALANCES

Should an imbalance exceed $\pm 10\%$ of the delivered volume of gas on any day when an Operational Flow Order (as described below) has not been issued, then Company shall charge the Utilization Charge for Daily Imbalances times the recorded imbalance greater than $\pm 10\%$ of the delivered volume of gas for each daily occurrence. The Utilization Charge for Daily Imbalances is the sum of the following:

Daily Demand Charge: \$0.2607 per Mcf
 Daily Storage Charge: 0.1200
 Utilization Charge for Daily Imbalances: \$0.3807 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.

These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed $\pm 10\%$ of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer, or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in "Gas Daily"

Date of Issue: October 31, 2003 Issued By Date Effective: November 1, 2003
 Canceling Twelfth Revision of Original Sheet No. 10-C

Michael S. Beer, Vice President
 Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

for Dominion South Point on the day for which the OFO was violated, plus any other charges under this rate schedule for such unauthorized receipts or deliveries that occur twenty-four (24) hours after notice of the OFO is provided to the Customer or that fall outside the ±10 percent imbalance tolerance regardless of the notice.

Company will not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of an OFO. Payment of charges hereunder shall not be considered an exclusive remedy for failure to comply with the OFO, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

OPTIONAL SALES AND PURCHASE TRANSACTION

Customer may agree to sell its natural gas supplies to Company, and Company may agree to purchase natural gas supplies from Customer under a written contract setting forth specific arrangements of the transaction. If Company purchases natural gas from Customer, such gas will not be redelivered to Customer, and Customer shall discontinue or otherwise interrupt the usage of such natural gas.

RETURN TO FIRM SALES SERVICE

Return to firm sales service is contingent upon the ability of Company to secure the appropriate quantities of gas supply and transportation capacity with the Company's Pipeline Transporter, as determined solely by the Company.

REMOTE METERING

Remote metering service shall be required as a prerequisite to the Customer obtaining service under this rate schedule. The remote metering devices will allow the Company to monitor the Customer's usage on a daily basis and bill the Customer on a monthly basis.

The Customer shall be responsible for the cost of this remote metering equipment and the cost of its installation.

The Customer shall be responsible for providing the necessary and adequate electric and telephone service to provide this metering by October 1st of the year that the Customer's Rate FT service becomes effective. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide this metering.

SPECIAL TERMS AND CONDITIONS

1. Service under this rate schedule shall be performed under a written contract between Customer and Company setting forth specific arrangements as to the volumes to be transported by Company for Customer, Delivery Points, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

OPTIONAL SALES AND PURCHASE TRANSACTION

Customer may agree to sell its natural gas supplies to Company, and Company may agree to purchase natural gas supplies from Customer under a written contract setting forth specific arrangements of the transaction. If Company purchases natural gas from Customer, such gas will not be redelivered to Customer, and Customer shall discontinue or otherwise interrupt the usage of such natural gas.

RETURN TO FIRM SALES SERVICE

Return to firm sales service is contingent upon the ability of Company to secure the appropriate quantities of gas supply and transportation capacity with the Company's Pipeline Transporter, as determined solely by the Company.

REMOTE METERING

Remote metering service shall be required as a prerequisite to the Customer obtaining service under this rate schedule. The remote metering devices will allow the Company to monitor the Customer's usage on a daily basis and bill the Customer.

The Customer shall be responsible for the cost of this remote metering equipment and the cost of its installation.

The Customer shall be responsible for making any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in order to facilitate the installation and operation of such remote metering.

The Customer shall be responsible for providing the necessary and adequate electric and telephone service to provide this metering by October 1st of the year that the Customer's Rate FT service becomes effective. Electric and telephone services installed for this equipment shall conform to Company's specifications. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide this metering.

SPECIAL TERMS AND CONDITIONS

1. Service under this rate schedule shall be performed under a written contract between Customer and Company setting forth specific arrangements as to the volumes to be transported by Company for Customer, Delivery Points, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.
2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours written notice of any subsequent changes to scheduled deliveries of natural gas flow. Company will not be obligated to utilize its underground storage capacity for purposes of this service.
3. In no case will Company be obligated to transport greater quantities hereunder than those specified in the written contract between Customer and Company.

FT

STANDARD RATE SCHEDULE

Firm Transportation Service (Non-Standby) (Continued)

2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours written notice of any subsequent changes to scheduled deliveries of natural gas flow. Company will not be obligated to utilize its underground storage capacity for purposes of this service.
3. In no case will Company be obligated to transport greater quantities hereunder than those specified in the written contract between Customer and Company.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its Pipeline Transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will not be obligated hereunder to provide standby quantities for purposes of supplying such Customer requirements.
8. Company shall not be required to render service under this rate schedule to any customer that fails to comply with any and all of the terms and conditions of this rate schedule.

APPLICABILITY OF RULES

Service under this rate is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff, to the extent that such rules and regulations are not in conflict with nor inconsistent with the specific provisions hereof.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

FT

STANDARD RATE SCHEDULE

Firm Transportation Service (Non-Standby)

4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its Pipeline Transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will not be obligated hereunder to provide standby quantities for purposes of supplying such Customer requirements.
8. Company shall not be required to render service under this rate schedule to any customer that fails to comply with any and all of the terms and conditions of this rate schedule.

TERMS AND CONDITIONS

Service under this rate is subject to Company's Terms and Conditions governing the supply of gas service as incorporated in this Tariff, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

Date of Issue: December 29, 2003

Issued By

Date Effective February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 49
P.S.C. of Ky. Gas No. 6

Special Charges

The following charges will be applied uniformly throughout the Company's service territory. Each charge, as approved by the Public Service Commission, reflects only that revenue required to meet associated expenses.

RETURNED PAYMENT CHARGE

In those instances where a Customer renders payment to the Company which is not honored upon deposit by the Company, the Customer will be charged \$7.50 to cover the additional processing costs.

METER TEST CHARGE

Where the test of a meter is performed during normal working hours upon the written request of a Customer, pursuant to 807 KAR 5:006, Section 18, and the results show the meter was not more than two percent fast, the Customer will be charged \$69.00 to cover the test and transportation costs.

DISCONNECTING AND RECONNECTING SERVICE CHARGE

A charge of \$23.00 will be made to cover disconnection and reconnection of gas service when discontinued for non-payment of bills or for violation of the Company's Terms and Conditions, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00. No charge will be made for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.

Customers under Gas Rates RGS, CGS and IGS may request and be granted a temporary suspension of gas service. In the event of such temporary suspension, Company will make a charge of \$23.00 to cover disconnection and reconnection of gas service, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$23.00.

INSPECTION CHARGE

With respect to customer's service line and house line inspections prior to initiation or resumption of gas service, the Company will make two such inspections without charge. When more than two trips are necessary to complete the inspections at any one location, a charge of \$135.00 will be made for each additional trip.

CHARGE FOR TEMPORARY AND SHORT TERM SERVICE

The customer shall pay the cost of all material, labor and expense incurred by the Company in supplying gas service for any temporary or short term use, in addition to the regular rates for service without pro-rating of rate blocks or minimum charges for service of less than thirty days in a regular meter reading period.

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Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RIDER	
Summer Air Conditioning Service Under Gas Service Rate RGS	
APPLICABLE To Gas Service Rate RGS.	
AVAILABILITY Available to any customer who takes gas service under Rate RGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the regular October meter reading.	
RATE	
Charge Per 100 Cubic Feet:	8.457¢
Distribution Cost Component	72.454
Gas Supply Cost Component	80.911¢
Total Charge Per 100 Cubic Feet	
All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.	
The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.	
DSM COST RECOVERY MECHANISM	
The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.	
Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.	
PROMPT PAYMENT PROVISION	
The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	

Date of Issue: October 31, 2003
 Cancellation: Fifteenth Revision of Original Sheet No. 2-A
 Issued July 24, 2003

Issued By: Michael S. Bear, Vice President
 Louisville, Kentucky
 Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

Date Effective: November 1, 2003

STANDARD RIDER	
Summer Air Conditioning Service Under Gas Service Rate RGS	
APPLICABLE To Gas Service Rate RGS.	
AVAILABILITY OF SERVICE Available to any customer who takes gas service under Rate RGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.	
RATE	
Charge Per 100 Cubic Feet:	10.352¢
Distribution Cost Component	72.454
Gas Supply Cost Component	82.806¢
Total Charge Per 100 Cubic Feet	
All consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.	
The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1, and 70.2 of this Tariff. The Performance-Based Rate-making Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.	
ADJUSTMENT CLAUSES	
The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:	
Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76
LATE PAYMENT CHARGE	
The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.	
DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION	
The Summer Air Conditioning Consumption shall be determined as follows: For each of the aforesaid billing periods, all gas consumption in excess of 5,000 cubic feet per single family dwelling unit shall be taken as the Summer Air Conditioning Consumption.	

Date of Issue: December 29, 2003

Issued By: Michael S. Bear, Vice President
 Louisville, Kentucky
 Date Effective: February 1, 2004

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Louisville Gas and Electric Company

Original Sheet No. 60.1
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 2-B
P.S.C. of Ky. Gas No. 5

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS (Continued)

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

For each of the aforesaid five billing periods, all gas consumption in excess of 5,000 cubic feet per single family dwelling unit shall be taken as the Summer Air Conditioning Consumption.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

Date of Issue: October 16, 2000 Issued By Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

N

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS

APPLICABLE

To Gas Service Rate CGS.

AVAILABILITY

Available to any customer who takes gas service under Rate CGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the regular October meter reading.

RATE

Charge Per 100 Cubic Feet	8.457¢
Distribution Cost Component	72.454
Gas Supply Cost Component	80.911¢
Total Charge Per 100 Cubic Feet	

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM Cost Recovery Mechanism:

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

Date of Issue: October 31, 2003
Cancelled Fifteenth Revision of
Original Sheet No. 3-A
Issued July 24, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

Date Effective: November 1, 2003

R R

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS

APPLICABLE

To Gas Service Rate CGS.

AVAILABILITY OF SERVICE

Available to any customer who takes gas service under Rate CGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:	9.830¢
Distribution Cost Component	72.454
Gas Supply Cost Component	82.284¢
Total Charge Per 100 Cubic Feet	

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1, and 70.2 of this Tariff. The Performance-Based Rate-making Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

- Where the only gas usage during the aforesaid June through October billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such periods shall all be taken as the Summer Air Conditioning Consumption.

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 51.1
P.S.C. of Ky. Gas No. 6

STANDARD RIDER
Summer Air Conditioning Service Under Gas Service Rate CGS

2. Where gas is used during the aforesaid June through October billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the November through May billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate CGS.

3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 3-B
P.S.C. of Ky. Gas No. 5

STANDARD RIDER
Summer Air Conditioning Service Under Gas Service Rate CGS (Continued)

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

1. Where the only gas usage during the aforesaid five billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such five periods shall all be taken as the Summer Air Conditioning Consumption.

2. Where gas is used during the aforesaid five billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the seven remaining billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate CGS.

3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

Date of Issue: October 16, 2000 Issued By Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

APPLICABLE

To Gas Service Rate IGS.

AVAILABILITY

Available to any customer who takes gas service under Rate IGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the regular October meter reading.

RATE

Charge Per 100 Cubic Feet	8.457¢
Distribution Cost Component	72.454
Gas Supply Cost Component	80.911¢
Total Charge Per 100 Cubic Feet	

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

Date of Issue: October 31, 2003
Checked by: Revision of
Original Sheet No. 4-A
Issued July 24, 2003

Issued By

Date Effective: November 1, 2003

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

APPLICABLE

To Gas Service Rate IGS.

AVAILABILITY OF SERVICE

Available to any customer who takes gas service under Rate IGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:	9.830¢
Distribution Cost Component	72.454
Gas Supply Cost Component	82.284¢
Total Charge Per 100 Cubic Feet	

All consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1, and 70.2 of this Tariff. The Performance-Based Rate-making Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

- Where the only gas usage during the aforesaid June through October billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such June through October periods shall all be taken as the Summer Air Conditioning Consumption.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 52.1
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

1. Where the only gas usage during the aforesaid five billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such five periods shall all be taken as the Summer Air Conditioning Consumption.
2. Where gas is used during the aforesaid five billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the seven remaining billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate IGS.
3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

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Louisville Gas and Electric Company

Original Sheet No. 4-B
P.S.C. of Ky. Gas No. 5

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS (Continued)

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

1. Where the only gas usage during the aforesaid five billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such five periods shall all be taken as the Summer Air Conditioning Consumption.
2. Where gas is used during the aforesaid five billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the seven remaining billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate IGS.
3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

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Issued By

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R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

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Louisville Gas and Electric Company

Original Sheet No. 52.1
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

2. Where gas is used during the aforesaid June through October billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the November through May billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate IGS.
3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER	PS-TS Pooling Service - Rate TS
<p>APPLICABLE In all territory served.</p>	
<p>AVAILABILITY Available to "TS Pool Managers".</p>	
<p>For the purpose of this rider a "TS Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate TS to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.</p>	
<p>RATE</p>	<p>In addition to any charges billed directly to TS Pool Manager or Customer as a result of the application of Rate TS or this rider, the following charge shall apply: PS-TS Pool Administration Charge: \$75 per customer in TS Pool per month</p>
<p>CHARACTER OF SERVICE</p>	<p>Service under this rider allows a TS Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more standby sales transportation customers that comprise a PS-TS Pool.</p> <p>The TS Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Cash-Out Provision of Rate TS shall be applied against the aggregate volume of all customers in a specific pool. The TS Pool Manager will be responsible for the payment of the PS-TS Pool Administration Charge and any Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate TS.</p>
<p>GENERAL TERMS AND CONDITIONS</p>	<p>1. No customer shall participate in a TS Pool that does not individually meet the availability conditions of Rate TS, and no customer shall participate in more than one pool concurrently. Likewise, customers served under seasonally interruptible Rate G-6 cannot be in the same pool with customers served under other sales rates.</p> <p>2. To receive service hereunder, the PS-TS Pool Manager shall enter into a PS-TS Pool Management Agreement with Company and shall submit a PS-TS Application/Agency Agreement for each member of the pool, signed by both Customer and its TS Pool Manager. The PS-TS Pool Management Agreement shall set forth the specific obligations of the TS Pool Manager and Company under this rider. The PS-TS Application/Agency Agreement shall set forth the members of the pool.</p> <p>The TS Pool Manager shall submit a signed PS-TS Pool Management Agreement and a PS-TS Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the TS Pool Manager of the date when service under this rider shall commence. Company shall notify the TS Pool Manager of the date when</p>

Date of Issue: October 16, 2000
 Issued By: R. M. Hewitt, Group Executive
 Louisville, Kentucky
 Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080
 Date Effective: September 27, 2000

STANDARD RIDER	PS-TS Pooling Service - Rate TS
<p>APPLICABLE In all territory served.</p>	
<p>AVAILABILITY OF SERVICE Available to "TS Pool Managers".</p>	
<p>For the purpose of this rider a "TS Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate TS to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.</p>	
<p>RATE</p>	<p>In addition to any charges billed directly to TS Pool Manager or Customer as a result of the application of Rate TS or this rider, the following charge shall apply: PS-TS Pool Administration Charge: \$75 per customer in TS Pool per month</p>
<p>CHARACTER OF SERVICE</p>	<p>Service under this rider allows a TS Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more standby sales transportation customers that comprise a PS-TS Pool.</p> <p>The TS Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Cash-Out Provision of Rate TS shall be applied against the aggregate volume of all customers in a specific pool. The TS Pool Manager will be responsible for the payment of the PS-TS Pool Administration Charge and any Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate TS.</p>
<p>TERMS AND CONDITIONS</p>	<p>1. No customer shall participate in a TS Pool that does not individually meet the availability conditions of Rate TS, and no customer shall participate in more than one pool concurrently. Likewise, customers served under As Available Gas Service Rate AAGS cannot be in the same pool with customers served under other sales rates.</p> <p>2. To receive service hereunder, the PS-TS Pool Manager shall enter into a PS-TS Pool Management Agreement with Company and shall submit a PS-TS Application/Agency Agreement for each member of the pool, signed by both Customer and its TS Pool Manager. The PS-TS Pool Management Agreement shall set forth the specific obligations of the TS Pool Manager and Company under this rider. The PS-TS Application/Agency Agreement shall set forth the members of the pool.</p> <p>The TS Pool Manager shall submit a signed PS-TS Pool Management Agreement and a PS-TS Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the TS Pool Manager of the date when service hereunder will commence. A customer who terminates service under this rider or who desires to change TS Pool Managers shall likewise provide Company with a written notice at least four weeks prior to the end of a billing period.</p>

Date of Issue: December 29, 2003
 Issued By: Michael S. Beer, Vice President
 Louisville, Kentucky
 Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 53.1
P.S.C. of Ky. Gas No. 6

STANDARD RIDER PS-TS
Pooling Service - Rate TS

- The TS Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure TS Pool Manager's performance of its obligations under the PS-TS Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of a TS Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-TS Pool members, the general credit worthiness of the TS Pool Manager, and the TS Pool Manager's prior credit record with the Company, if any. In the event that the TS Pool Manager defaults on its obligations under this rider or the PS-TS Pool Management Agreement, Company shall have the right to use such cash deposit, or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy TS Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-TS Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
- The TS Pool Manager shall provide Company with the written consent, in the form of a PS-TS Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the TS Pool Manager may provide written consent in the form of a PS-TS Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-TS Application/Agency Agreement.
- The PS-TS Pool Management Agreement will be terminated by the Company upon four weeks written notice if a TS Pool Manager fails to meet any condition of this rider and/or Rate TS. The PS-TS Pool Management Agreement will also be terminated by the Company upon four weeks written notice if the TS Pool Manager has payments in arrears. Written notice of termination of the PS-TS Pool Management Agreement shall be provided both to the TS Pool Manager and to the individual members of the pool by the Company.
- Company shall directly bill the TS Pool Manager for the PS-TS Pool Administration Charge, monthly cash-out charges or payments contained in Rate TS. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill then the TS Pool Manager will be considered in default.
- Company shall directly bill the individual customers in the pool for all Distribution Charges, Customer Charges, and Administrative Charges as provided for in either Rate TS or Customer's otherwise applicable sales rate schedule to which Rate TS is a Rider.

Louisville Gas and Electric Company

Original Sheet No. 9-E
P.S.C. of Ky. Gas No. 5

STANDARD RIDER PS-TS
Pooling Service - Rate TS (Continued)

- The TS Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure TS Pool Manager's performance of its obligations under the PS-TS Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of a TS Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-TS Pool members, the general credit worthiness of the TS Pool Manager, and the TS Pool Manager's prior credit record with the Company, if any. In the event that the TS Pool Manager defaults on its obligations under this rider or the PS-TS Pool Management Agreement, Company shall have the right to use such cash deposit, or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy TS Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-TS Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
- The TS Pool Manager shall provide Company with the written consent, in the form of a PS-TS Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the TS Pool Manager may provide written consent in the form of a PS-TS Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-TS Application/Agency Agreement.
- The PS-TS Pool Management Agreement will be terminated by the Company upon four weeks written notice if a TS Pool Manager fails to meet any condition of this rider and/or Rate TS. The PS-TS Pool Management Agreement will also be terminated by the Company upon four weeks written notice if the TS Pool Manager has payments in arrears. Written notice of termination of the PS-TS Pool Management Agreement shall be provided both to the TS Pool Manager and to the individual members of the pool by the Company.
- Company shall directly bill the TS Pool Manager for the PS-TS Pool Administration Charge, monthly cash-out charges or payments contained in Rate TS. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill then the TS Pool Manager will be considered in default.
- Company shall directly bill the individual customers in the pool for all Distribution Charges, Customer Charges, and Administrative Charges as provided for in either Rate TS or Customer's otherwise applicable sales rate schedule to which Rate TS is a Rider.

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Date of Issue: October 16, 2000 Issued By: R. M. Bennett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

Date of Issue: December 29, 2003 Issued By: Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: September 27, 2000 Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 54
P.S.C. of Ky. Gas No. 6

STANDARD RIDER Pooling Service - Rate FT PS-FT

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
Available to "FT Pool Managers".

For the purpose of this rider a "FT Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate FT to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

RATE
In addition to any charges billed directly to FT Pool Manager or Customer as a result of the application of Rate FT or this rider, the following charge shall apply:

PS-FT Pool Administration Charge: \$75 per customer in FT Pool per month

CHARACTER OF SERVICE

Service under this rider allows an FT Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more firm transportation customers that comprise a PS-FT Pool.

The FT Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Daily Utilization Charge, OFO Penalty and Cash-Out Provision of Rate FT shall be applied against the aggregate volume of all customers in a specific pool. The FT Pool Manager will be responsible for the payment of the PS-FT Pool Administration Charge and any Daily Utilization Charges, OFO penalties or Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate FT. For purposes of this rider the Daily Utilization Charge shall apply to daily imbalances that exceed $\pm 5\%$, instead of the $\pm 10\%$ otherwise applicable in Rate FT. Company shall issue an Operational Flow Order as set forth in Rate FT to the FT Pool Manager during periods when service cannot be provided to meet daily imbalances.

TERMS AND CONDITIONS

1. No customer shall participate in an FT Pool that does not individually meet the availability conditions of Rate FT, and no customer shall participate in more than one pool concurrently. Unless a Customer meets the provisions of the Remote Metering requirement under Rate FT, that Customer shall not participate in a pool.
2. To receive service hereunder, the FT Pool Manager shall enter into a PS-FT Pool Management Agreement with Company and shall submit a PS-FT Application/Agency Agreement for each member of the pool, signed by both Customer and its Pool Manager. The PS-FT Pool Management Agreement shall set forth the specific obligations of the FT Pool Manager and Company under this rider. The PS-FT Application/Agency Agreement shall set forth the members of the pool.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 10-H
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE Pooling Service - FT PS-FT

APPLICABLE
In all territory served.

AVAILABILITY
Available to "FT Pool Managers".

For the purpose of this rider a "FT Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate FT to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

RATE
In addition to any charges billed directly to FT Pool Manager or Customer as a result of the application of Rate FT or this rider, the following charge shall apply:

PS-FT Pool Administration Charge: \$75 per customer in FT Pool per month

CHARACTER OF SERVICE

Service under this rider allows an FT Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more firm transportation customers that comprise a PS-FT Pool.

The FT Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Daily Utilization Charge, OFO Penalty and Cash-Out Provision of Rate FT shall be applied against the aggregate volume of all customers in a specific pool. The FT Pool Manager will be responsible for the payment of the PS-FT Pool Administration Charge and any Daily Utilization Charges, OFO penalties or Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate FT. For purposes of this rider the Daily Utilization Charge shall apply to daily imbalances that exceed $\pm 5\%$, instead of the $\pm 10\%$ otherwise applicable in Rate FT. Company shall issue an Operational Flow Order as set forth in Rate FT to the FT Pool Manager during periods when service cannot be provided to meet daily imbalances.

GENERAL TERMS AND CONDITIONS

1. No customer shall participate in an FT Pool that does not individually meet the availability conditions of Rate FT, and no customer shall participate in more than one pool concurrently. Unless a Customer meets the provisions of the Remote Metering requirement under Rate FT, that Customer shall not participate in a pool.

Date of Issue: October 16, 2000 Issued By Date Effective: September 27, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

STANDARD RATE SCHEDULE

PS-FT

Pooling Service - FT (Continued)

2. To receive service hereunder, the FT Pool Manager shall enter into a PS-FT Pool Management Agreement with Company and shall submit a PS-FT Application/Agency Agreement for each member of the pool, signed by both Customer and its Pool Manager. The PS-FT Pool Management Agreement shall set forth the specific obligations of the FT Pool Manager and Company under this rider. The PS-FT Application/Agency Agreement shall set forth the members of the pool.
3. The FT Pool Manager shall submit a signed PS-FT Pool Management Agreement and a PS-FT Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the FT Pool Manager of the date when service hereunder will commence. A customer who terminates service under this rider or who desires to change FT Pool Managers shall likewise provide Company with a written notice at least four weeks prior to the end of a billing period.
4. The FT Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure FT Pool Manager's performance of its obligations under the PS-FT Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of an FT Pool Manager, Company shall consider such factors, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-FT Pool Manager, and the FT Pool Manager's prior credit record with the Company, if any. In the event that the FT Pool Manager defaults on its obligations under this rider or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy FT Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-FT Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
5. The PS-FT Pool Management Agreement will be terminated by the Company upon four weeks written notice if an FT Pool Manager fails to meet any condition of this rider and/or Rate FT. The PS-FT Pool Management Agreement will also be terminated by the Company upon four weeks written notice if the FT Pool Manager has payments in arrears. Written notice of termination of the PS-FT Pool Management Agreement shall be provided both to the FT Pool Manager and to the individual members of the pool by the Company.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

STANDARD RIDER

PS-FT

Pooling Service - Rate FT

- The FT Pool Manager shall submit a signed PS-FT Pool Management Agreement and a PS-FT Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the FT Pool Manager of the date when service hereunder will commence. A customer who terminates service under this rider or who desires to change FT Pool Managers shall likewise provide Company with a written notice at least four weeks prior to the end of a billing period.
3. The FT Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure FT Pool Manager's performance of its obligations under the PS-FT Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of an FT Pool Manager, Company shall consider such factors, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-FT Pool Manager, the general credit worthiness of the FT Pool Manager, and the FT Pool Manager's prior credit record with the Company, if any. In the event that the FT Pool Manager defaults on its obligations under this rider or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy FT Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-FT Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
4. The FT Pool Manager shall provide Company with the written consent, in the form of a PS-FT Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the FT Pool Manager may provide written consent in the form of a PS-FT Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-FT Application/Agency Agreement.
5. The PS-FT Pool Management Agreement will be terminated by the Company upon four weeks written notice if an FT Pool Manager fails to meet any condition of this rider and/or Rate FT. The PS-FT Pool Management Agreement will also be terminated by the Company upon four weeks written notice if the FT Pool Manager has payments in arrears. Written notice of termination of the PS-FT Pool Management Agreement shall be provided both to the FT Pool Manager and to the individual members of the pool by the Company.
6. Company shall directly bill the FT Pool Manager for the PS-FT Pool Administration Charge, Utilization Charge for Daily Imbalances, monthly cash-out charges or payments, and unauthorized overrun charges under an OFO contained in Rate FT. The bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill, then the FT Pool Manager will be considered in default.
7. Company shall directly bill the individual customers in the pool for all Distribution Charges, Administrative Charges, and remote metering charges or payments provided for in Rate FT.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 10-J
P. S. C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE

PS-FT

Pooling Service - FT (Continued)

the Company upon four weeks written notice if the FT Pool Manager has payments in arrears. Written notice of termination of the PS-FT Pool Management Agreement shall be provided both to the FT Pool Manager and to the individual members of the pool by the Company.

6. Company shall directly bill the FT Pool Manager for the PS-FT Pool Administration Charge, Utilization Charge for Daily Imbalances, monthly cash-out charges or payments, and unauthorized overrun charges under an OFO contained in Rate FT. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill, then the FT Pool Manager will be considered in default.
7. Company shall directly bill the individual customers in the pool for all Distribution Charges, Administrative Charges, and remote metering charges or payments provided for in Rate FT.

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Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville Gas and Electric Company
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

STANDARD RIDER

Excess Facilities

APPLICABILITY
In all territory served.

AVAILABILITY

This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by the Company. This rider does not apply to main extensions or to other facilities which are necessary to provide basic gas service. The Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where the Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term.

DEFINITION OF EXCESS FACILITIES

Excess facilities are equipment and devices which are installed in addition to or in substitution for the normal facilities required to render basic gas service. Applications of excess facilities include, and are limited to, duplicate or check meters.

EXCESS FACILITIES CHARGE

The customer shall pay for excess facilities through a contribution in aid of construction, which may take the form of a one-time payment or a fixed term Capital Recovery Charge based on the installed cost of the facilities. The length of the contract term shall be at the customer's option as set forth below.

Monthly Rates

Term:	5 Year	8 Year	10 Year	12 Year	15 Year	Operating Expenses
	2.65%	1.87%	1.63%	1.47%	1.32%	0.14%

The percentage rates are applied to the installed cost of the excess facilities in order to determine the monthly charge.

All customers shall also pay the monthly operating expenses as long as service is rendered hereunder.

PAYMENT

The Excess Facilities Charges shall be incorporated with the monthly bill for gas service and will be subject to the same payment provisions.

TERM OF CONTRACT

The initial term of contract to the customer under this schedule shall be the selected Capital Recovery Charge Period as stated under the Excess Facilities Charge provision. The term shall continue automatically until terminated by either party upon at least one month's written notice.

Date of Issue: December 15, 1995

Issued By

Date Effective: November 21, 1995
Refiled: October 16, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 11/21/95 in Case No. 95-276

STANDARD RIDER

Excess Facilities

APPLICABILITY
In all territory served.

AVAILABILITY OF SERVICE

This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by the Company. This rider does not apply to main extensions or to other facilities which are necessary to provide basic gas service. The Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where the Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term. Customers currently being served under the Excess Facilities Rider pursuant to Original Sheet No. 14-A and 14-B of LG&E's Tariff PSC. of Ky. Gas No. 5, shall continue to be served thereunder.

DEFINITION OF EXCESS FACILITIES

Excess facilities are equipment and devices which are installed in addition to or in substitution for the normal facilities required to render basic gas service. Applications of excess facilities include, but are not limited to, emergency backup feeds, automatic transfer switches, redundant transformer capacity, and duplicate or check meters.

LEASED FACILITIES CHARGE

The customer shall pay for excess facilities through a contribution in aid of construction, which may take the form of a one-time payment or a Carrying Cost Charge based on the installed cost of the facilities.

Monthly Rates

Carrying Cost	Operating Expenses
0.94%	0.66%

The percentage rates are applied to the installed cost of the excess facilities

PAYMENT

The Excess Facilities Charges shall be incorporated with the bill for gas service and will be subject to the same payment provisions.

TERM OF CONTRACT

The initial term of contract to the customer under this schedule shall be not less than 5 years. The term shall continue automatically until terminated by either party upon at least one month's written notice.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Bear, Vice President
Louisville, Kentucky

STANDARD RIDER

Excess Facilities (Continued)

SPECIAL TERMS AND CONDITIONS

1. The Company shall install, own, operate, and provide routine maintenance of the excess facilities. During the Capital Recovery Charge term, the Company shall be responsible for the necessary replacement of the excess facilities (or a faulty component thereof) in the event of failure. Otherwise, the cost of replacing the excess facilities shall be the responsibility of the Customer.
2. In the event that excess facilities installed for the Customer are later utilized concurrently to serve other customers, then the monthly excess facilities charge shall be adjusted in proportion to the cost of the excess facilities which is reasonably assignable to the Customer.
3. The Customer hereby grants to the Company the right of ingress and egress to and from the excess facilities over any property owned by the Customer for the purpose of exercising any of its rights or fulfilling any of its obligations hereunder.
4. The customer may terminate the service prior to the end of the initial term upon at least six month's written notice. However, the Customer shall pay to the Company in a lump sum the present value of the Capital Recovery Charges that would have been due throughout the remainder of the initial contract period.
5. If the Customer fails to comply with any of the terms and conditions hereof (including, but not limited to, the Customer's obligation to pay the monthly excess facilities charge timely), then the Company may give to the Customer ten days advance notice of termination during which ten-day period the Customer shall have the opportunity to cure the default. If the Customer fails to cure the default during the ten-day period, then the Company shall have the right to terminate the excess facilities service immediately upon notice, and if such termination occurs during the initial term, the Customer shall pay all remaining charges in the manner prescribed under item 4.
6. Upon termination of the service for any reason, whether during or after the initial contract period, the Company shall have the option of either removing the excess facilities from the Customer's premises and using, selling, or disposing of such excess facilities as the Company wishes or abandoning the excess facilities in place.
7. The service shall not be assigned or transferred by the Customer without the prior written approval of the Company.
8. The General Rules and Regulations Governing the Supply of Gas Service set forth in the Company's gas tariff shall apply except to the extent inconsistent with any of the terms hereof and are incorporated herein by reference.

Date of Issue: December 15, 1995

Issued By

Date Effective: November 21, 1995
Revised: October 16, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 1/17/1995 in Case No. 95-276

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STANDARD RATE SCHEDULE **RBS**
Reserved Balancing Service

APPLICABLE
In all territory served.

AVAILABILITY

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT."

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 7.9300 per Mcf
Monthly Balancing Charges:	3.6500
Total:	\$11.5800 per Mcf

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed ±10% of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from

STANDARD RIDER **RBS**
Reserved Balancing Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT" or to FT Pool Managers served under Pooling Service-Rate FT.

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 7.9300 per Mcf
Monthly Balancing Charges:	3.6500
Total:	\$11.5800 per Mcf

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed ±10% of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from the difference calculated above. If the result is a negative number, no Utilization Charge for Daily Imbalances will be applied. If the result is positive the Utilization Charge for Daily Imbalances will be applied to the positive value.

Louisville Gas and Electric Company

Original Sheet No. 58.1
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

RBS

Reserved Balancing Service

Except as specifically provided for herein, all rates, terms and conditions of Rate FT shall apply, including but not limited to the DSM Cost Recovery and Cash-Out Provisions for Monthly Imbalances. The Monthly Imbalance and Monthly Imbalance percentage used in the Cash-Out Provision for monthly imbalances shall not be adjusted by the Reserved Balanced Volume contracted for hereunder.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 10-C
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE

RBS

Reserved Balancing Service (Continued)

the difference calculated above. If the result is a negative number, no Utilization Charge for Daily Imbalances will be applied. If the result is positive the Utilization Charge for Daily Imbalances will be applied to the positive value.

Except as specifically provided for herein, all rates, terms and conditions of Rate FT shall apply, including but not limited to the DSM Cost Recovery and Cash-Out Provisions for Monthly Imbalances. The Monthly Imbalance and Monthly Imbalance percentage used in the Cash-Out Provision for monthly imbalances shall not be adjusted by the Reserved Balanced Volume contracted for hereunder.

Date of Issue: October 16, 2000 Issued By Date Effective: September 27, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

Louisville Gas and Electric Company

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		63.665¢
Gas Cost Actual Adjustment (GCAA)		8.407
Gas Cost Balance Adjustment (GCBA)		(0.023)
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:		
None Applicable		
Performance-Based Rate Recovery Component (PBRRC)		<u>0.405</u>
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)		72.454¢

Date of Issue: December 29, 2003 Issued By: Michael S. Beer, Vice President
Date Effective: February 1, 2004 Louisville, Kentucky

Louisville Gas and Electric Company

Sixteenth Revision of Original Sheet No. 12
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE		GSC
		Gas Supply Clause
APPLICABLE TO All gas sold.		
GAS SUPPLY COST COMPONENT (GSCC)		
Gas Supply Cost		63.665¢
Gas Cost Actual Adjustment (GCAA)		8.407
Gas Cost Balance Adjustment (GCBA)		(0.023)
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:		
None Applicable		
Performance-Based Rate Recovery Component (PBRRC)		<u>0.405</u>
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)		72.454¢

Date of Issue: October 31, 2003 Issued By: Michael S. Beer, Vice President
Cancelling Fifteenth Revision of Original Sheet No. 12 Louisville, Kentucky
Issued July 24, 2003 Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-90385

R

STANDARD RATE SCHEDULE **GSC**
Gas Supply Clause (Continued)

The monthly amount computed under each of the rate schedules to which this Gas Supply Clause is applicable shall include a Gas Supply Cost Component per 100 cubic feet of consumption calculated for each three-month period in accordance with the following formula:

$$GSCC = \text{Gas Supply Cost} + GCAA + GCBA + RF + PBRRC$$

where:

Gas Supply Cost is the expected average cost per 100 cubic feet for each three-month period determined by dividing the sum of the monthly gas supply costs by the expected deliveries to customers. Monthly gas supply cost is composed of the following:

- (a) Expected total purchases at the filed rates of Company's wholesale supplier of natural gas, plus
 - (b) Other gas purchases for system supply, minus
 - (c) Portion of such purchase cost expected to be used for non-Gas Department purposes, minus
 - (d) Portion of such purchase cost expected to be injected into underground storage, plus
 - (e) Expected underground storage withdrawals at the average unit cost of working gas contained therein;
- (GCAA) is the Gas Cost Actual Adjustment per 100 cubic feet which compensates for differences between the previous quarter's expected gas cost and the actual cost of gas during that quarter.
- (GCBA) is the Gas Cost Balance Adjustment per 100 cubic feet which compensates for any under- or over-collections which have occurred as a result of prior adjustments.
- (RF) is the sum of the Refund Factors set forth on Sheet No. 12 of this Tariff.
- (PBRRC) is the amount per 100 cubic feet calculated pursuant to the Experimental Performance-Based Rate Mechanism contained in the Standard Rate Schedule PBR. The PBRRC is determined for each 12-month PBR period ended October 31.

Company shall file a revised Gas Supply Cost Component (GSCC) every three months giving effect to known changes in the wholesale cost of all gas purchases and the cost of gas deliveries from underground storage. Such filing shall be made at least thirty days prior to the beginning of each three-month period and shall include the following information:

Date of Issue: August 26, 1998

Issued By

Date Effective: August 1, 1998
Revised: October 16, 2000

R. M. Hewitt, Group Executive
Louisville, Kentucky

STANDARD RATE SCHEDULE **GSC**
Gas Supply Clause

The bill amount computed under each of the rate schedules to which this Gas Supply Clause is applicable shall include a Gas Supply Cost Component per 100 cubic feet of consumption calculated for each three-month period in accordance with the following formula:

$$GSCC = \text{Gas Supply Cost} + GCAA + GCBA + RF + PBRRC$$

where:

Gas Supply Cost is the expected average cost per 100 cubic feet for each three-month period determined by dividing the sum of the monthly gas supply costs by the expected deliveries to customers. Monthly gas supply cost is composed of the following:

- (a) Expected total purchases at the filed rates of Company's wholesale supplier of natural gas, plus
 - (b) Other gas purchases for system supply, minus
 - (c) Portion of such purchase cost expected to be used for non-Gas Department purposes, minus
 - (d) Portion of such purchase cost expected to be injected into underground storage, plus
 - (e) Expected underground storage withdrawals at the average unit cost of working gas contained therein;
- (GCAA) is the Gas Cost Actual Adjustment per 100 cubic feet which compensates for differences between the previous quarter's expected gas cost and the actual cost of gas during that quarter.
- (GCBA) is the Gas Cost Balance Adjustment per 100 cubic feet which compensates for any under- or over-collections which have occurred as a result of prior adjustments.
- (RF) is the sum of the Refund Factors set forth on Sheet No. 12 of this Tariff.

(PBRRC) is the amount per 100 cubic feet calculated pursuant to the Experimental Performance-Based Rate Mechanism contained in the Standard Rate Schedule PBR. The PBRRC is determined for each 12-month PBR period ended October 31.

Company shall file a revised Gas Supply Cost Component (GSCC) every three months giving effect to known changes in the wholesale cost of all gas purchases and the cost of gas deliveries from underground storage. Such filing shall be made at least thirty days prior to the beginning of each three-month period and shall include the following information:

- 1. A copy of the tariff rate of Company's wholesale gas supplier applicable to such three-month period.
- 2. A statement, through the most recent three-month period for which figures are available, setting out the accumulated costs recovered hereunder compared to actual gas supply costs recorded on the books.
- 3. A statement setting forth the supporting calculations of the Gas Supply Cost and the Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) applicable to such three-month period.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause (Continued)

1. A copy of the tariff rate of Company's wholesale gas supplier applicable to such three-month period.
2. A statement, through the most recent three-month period for which figures are available, setting out the accumulated costs recovered hereunder compared to actual gas supply costs recorded on the books.
3. A statement setting forth the supporting calculations of the Gas Supply Cost and the Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) applicable to such three-month period.

To allow for the effect of Company's cycle billing, each change in the GSCC shall be placed into effect with service rendered on and after the first day of each three-month period.

In the event that the Company receives from its supplier a refund of amounts paid to such supplier with respect to a prior period, the Company will make adjustments in the amounts charged to its customers under this provision, as follows:

1. The "Refundable Amount" shall be the amount received by the Company as a refund less any portion thereof applicable to gas purchased for electric energy production. Such Refundable Amount shall be divided by the number of hundred cubic feet of gas that company estimates it will sell to its customers during the twelve-month period which commences with implementation of the next Gas Supply Clause filing, thus determining a "Refund Factor."
2. Effective with the implementation of the next Gas Supply Clause filing, the Company will reduce, by the Refund Factor so determined, the Gas Supply Cost Component that would otherwise be applicable during the subsequent twelve-month period. Provided, however, that the period of reduced Gas Supply Cost Component will be adjusted, if necessary, in order to refund, as nearly as possible, the Refundable Amount.
3. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission of Kentucky for the right to depart from the refund procedure herein set forth.

Date of Issue: August 26, 1998

Issued By

R. M. Hewitt, Group Executive
Louisville, Kentucky

Date Effective: August 1, 1998
Revised: October 16, 2000

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

To allow for the effect of Company's cycle billing, each change in the GSCC shall be placed into effect with service rendered on and after the first day of each three-month period.

In the event that the Company receives from its supplier a refund of amounts paid to such supplier with respect to a prior period, the Company will make adjustments in the amounts charged to its customers under this provision, as follows:

1. The "Refundable Amount" shall be the amount received by the Company as a refund less any portion thereof applicable to gas purchased for electric energy production. Such Refundable Amount shall be divided by the number of hundred cubic feet of gas that company estimates it will sell to its customers during the twelve-month period which commences with implementation of the next Gas Supply Clause filing, thus determining a "Refund Factor."
2. Effective with the implementation of the next Gas Supply Clause filing, the Company will reduce, by the Refund Factor so determined, the Gas Supply Cost Component that would otherwise be applicable during the subsequent twelve-month period. Provided, however, that the period of reduced Gas Supply Cost Component will be adjusted, if necessary, in order to refund, as nearly as possible, the Refundable Amount.
3. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission of Kentucky for the right to depart from the refund procedure herein set forth.

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

DSMRM
Demand-Side Management Cost Recovery Mechanism (Continued)

APPLICABLE TO: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Summer Air Conditioning Rider to Rates RGS, CGS and IGS, As Available Gas Service Rate AAGS, Standby Gas Transportation Rate TS, and Firm Gas Transportation Rate FT. Any industrial customers who also receive electric service under Industrial Power Rate LP and Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism.

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption in accordance with the following formula:

$$DSMRC = DCR + DRLS + DSMI + DBA$$

Where: **DCR = DSM COST RECOVERY.** The DCR shall include all expected costs which have been approved by the Commission for each twelve-month period for demand-side management programs which have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program.

The cost of approved programs shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DCR for such rate class.

DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff and will be recovered as follows:

STANDARD RATE SCHEDULE **DSMRM**
Demand-Side Management Cost Recovery Mechanism

APPLICABLE TO: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Summer Air Conditioning Rider to Rates RGS, CGS and IGS, As Available Gas Service Rate AAGS, Standby Gas Transportation Rate TS, and Firm Gas Transportation Rate FT. Any industrial customers who also receive electric service under Industrial Power Rate LP and Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism.

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption in accordance with the following formula:

$$DSMRC = DCR + DRLS + DSMI + DBA$$

Where: **DCR = DSM COST RECOVERY.** The DCR shall include all expected costs which have been approved by the Commission for each twelve-month period for demand-side management programs which have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program.

The cost of approved programs shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DCR for such rate class.

DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff and will be recovered as follows:

For each upcoming twelve-month period, the estimated reduction in customer usage (in Ccf) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per Ccf for purposes of determining the lost revenue to be recovered hereunder. Non-variable revenue requirement is defined as the weighted average price per Ccf represented by the composite of the expected Distribution Cost Component billings for the customer classes.

The lost revenues for each customer class shall then be divided by the estimated class sales (in Ccf) for the upcoming twelve-month period to determine the applicable DRLS surcharge.

DSMRM
Demand-Side Management Cost Recovery Mechanism (Continued)

For each upcoming twelve-month period, the estimated reduction in customer usage (in Ccf) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per Ccf for purposes of determining the lost revenue to be recovered hereunder. Non-variable revenue requirement is defined as the weighted average price per Ccf represented by the composite of the expected Distribution Cost Component billings for the customer classes.

The lost revenues for each customer class shall then be divided by the estimated class sales (in Ccf) for the upcoming twelve-month period to determine the applicable DRLS surcharge.

Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case. For recovery purposes, the lost sales revenues will be assigned to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

DSMI = DSM INCENTIVE. For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs which are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of LG&E's avoided costs over the expected life of the program, and will include both capacity and energy savings. For Energy Education and Direct Load Control Programs, the

DSMRM
Demand-Side Management Cost Recovery Mechanism

Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case. For recovery purposes, the lost sales revenues will be assigned to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

DSMI = DSM INCENTIVE. For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs which are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of LG&E's avoided costs over the expected life of the program, and will include both capacity and energy savings. For Energy Education and Direct Load Control Programs, the DSM incentive amount shall be computed by multiplying the annual cost of the approved programs which are to be installed during the upcoming twelve-month period times five (5) percent.

The DSM incentive amount shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DSMI. DSMI incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

DBA = DSM BALANCE ADJUSTMENT. The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI and previous application of the DBA and the revenues which should have been billed, as follows:

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.

DSMRM
Demand-Side Management Cost Recovery Mechanism (Continued)

DSM incentive amount shall be computed by multiplying the annual cost of the approved programs which are to be installed during the upcoming twelve-month period times five (5) percent.

The DSM incentive amount shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DSMI. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

DBA = DSM BALANCE ADJUSTMENT. The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI and previous application of the DBA and the revenues which should have been billed, as follows:

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) The DBA, the balance adjustment amount will be determined by calculating the difference between the amount billed during the twelve-month period from application of the DBA unit charges and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period. The balance adjustment amounts, plus interest, shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DBA for each rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes to which over- or under-recoveries of DSM amounts were realized

STANDARD RATE SCHEDULE **DSMRM**
Demand-Side Management Cost Recovery Mechanism

- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) The DBA, the balance adjustment amount will be determined by calculating the difference between the amount billed during the twelve-month period from application of the DBA unit charges and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period. The balance adjustment amounts, plus interest, shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DBA for each rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes to which over- or under-recoveries of DSM amounts were realized.

The filing of modifications to the DSMRC which require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing. Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

DSMRM
Demand-Side Management Cost Recovery Mechanism (Continued)

The filing of modifications to the DSMRC which require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing. Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

Date of Issue: June 29, 2001
Cancelling Original Sheet No. 11-C
Issued August 6, 1998

Issued By: Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: July 1, 2001

Issued Pursuant to K.P.S.C. Order dated 5/11/01 in Case No. 2000-459

DSMRM
Demand-Side Management Cost Recovery Mechanism

Applicable to: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, As Available Gas Service Rate AAGS, Rate TS, Rate FT, and Summer Air Conditioning Rider.

As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

DSM Cost Recovery Component (DSMRC):

Residential Customers Served Under Residential Rate RGS and RGS Summer Air Conditioning Rider

Energy Charge

00.418 €/Ccf
00.043 €/Ccf
00.025 €/Ccf
(00.121) €/Ccf
00.365 €/Ccf

DSM Cost Recovery Component (DCR):
DSM Revenues from Lost Sales (DRLS):
DSM Incentive (DSMI):
DSM Balance Adjustment (DBA):

DSMRC Rate RGS:

Commercial Customers Served Under Firm Commercial Gas Service Rate CGS, As Available Gas Service Rate AAGS, Rate TS, Rate FT, and CGS Summer Air Conditioning Rider

00.006 €/Ccf
00.001 €/Ccf
00.000 €/Ccf
00.177 €/Ccf
00.184 €/Ccf

DSM Cost Recovery Component (DCR):
DSM Revenues from Lost Sales (DRLS):
DSM Incentive (DSMI):
DSM Balance Adjustment (DBA):

DSMRC Rate CGS:

Date of Issue: December 29, 2003

Issued By:

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 71.4
P.S.C. of Ky. Gas No. 6

Fifth Revision of Original Sheet No. 11-D
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE		DSMRM
Demand-Side Management Cost Recovery Mechanism		
DSM Cost Recovery Component (DSMRC): (Continued)		
Industrial Customers Served Under Firm Industrial Gas Service Rate IGS, As Available Gas Service Rate AAGS, Rate TS, Rate FT and IGS Summer Air Conditioning Rider		Energy Charge
DSM Cost Recovery Component (DCR):		00.000 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):		00.000 ¢/Ccf
DSM Incentive (DSMI):		00.000 ¢/Ccf
DSM Balance Adjustment (DBA):		00.000 ¢/Ccf
DSMRC Rate IGS:		00.000 ¢/Ccf

Louisville Gas and Electric Company

DSMRM		DSMRM
Demand-Side Management Cost Recovery Mechanism (Continued)		
Applicable to: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Seasonal Off-Peak Gas Rate IGS, and Rate for Uncommitted Gas Service Rate G-7, Rate TS, Rate FT, and Summer Air Conditioning Rider.		
As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.		
As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.		
DSM Cost Recovery Component (DSMRC):		
Residential Customers Served Under Residential Rate RGS and Summer Air Conditioning Rider		Energy Charge
DSM Cost Recovery Component (DCR):		00.418 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):		00.043 ¢/Ccf
DSM Incentive (DSMI):		00.025 ¢/Ccf
DSM Balance Adjustment (DBA):		(00.121) ¢/Ccf
DSMRC Rate RGS:		00.365 ¢/Ccf
Commercial Customers Served Under Commercial Gas Service Rate CGS, G-6, G-7, Rate TS, Rate FT, and Summer Air Conditioning Rider		
DSM Cost Recovery Component (DCR):		00.006 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):		00.001 ¢/Ccf
DSM Incentive (DSMI):		00.000 ¢/Ccf
DSM Balance Adjustment (DBA):		00.177 ¢/Ccf
DSMRC Rate CGS:		00.184 ¢/Ccf

Date of Issue: December 28, 2003

Date Effective: With Bills Rendered On and After April 3, 2003

Michael S. Beer, Vice President
Louisville, Kentucky

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order of 4/1/03 in Case No. 2003-00089

Date of Issue: April 8, 2003
Cancelling Fourth Revision of Original Sheet No. 11-D
Issued November 22, 2002

Louisville Gas and Electric Company

First Revision of Original Sheet No. 11-E
P. S. C. of Ky. Gas No. 5

DSMRM	
Demand-Side Management Cost Recovery Mechanism (Continued)	
DSM Cost Recovery Component (DSMRC): (Continued)	
Industrial Customers Served Under Firm Industrial Gas Service Rate IGS, Rate G-6,G-7, Rate TS, Rate FT and Summer Air Conditioning Rider	Energy Charge
DSM Cost Recovery Component (DCR):	00.000 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.000 ¢/Ccf
DSM Incentive (DSMI):	00.000 ¢/Ccf
DSM Balance Adjustment (DBA):	00.000 ¢/Ccf
DSMRC Rate IGS:	00.000 ¢/Ccf

Date of Issue: June 29, 2001
Cancelling Original Sheet No. 11-E
Issued March 14, 2000

Issued By: _____ Date Effective: July 1, 2001

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 5/1/01 in Case No. 2000-459

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STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

APPLICABLE
To all gas sold.

RATE MECHANISM

The monthly amount computed under each of the rate schedules to which this Performance Based Rate Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Component (PBRRRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the Pipeline Supplier's Demand Component and the Gas Supply Cost Component of the Gas Supply Clause (GSC), respectively. The PBRRRC shall be determined for each 12-month period ended October 31 during the effective term of this experimental performance based ratemaking mechanism, which 12-month period shall be defined as the PBR period.

The PBRRRC shall be computed in accordance with the following formula:

$$PBRRRC = \frac{CSPBR + BA}{ES}$$

Where:

ES = Expected Ccf sales, as reflected in the Company's GSC filing for the upcoming 12-month period beginning February 1.

CSPBR = Company Share of Performance Based Ratemaking Mechanism savings or expenses. The CSPBR shall be calculated as follows:

$$CSPBR = TPBRR \times ACSP$$

Where:

TPBRR = Total Performance Based Ratemaking Results. The TPBRR shall be savings or expenses created during the PBR Period. TPBRR shall be calculated as follows:

$$TPBRR = (GAIF + TIF + OSSIF)$$

GAIF

GAIF = Gas Acquisition Index Factor. The GAIF shall be calculated by comparing the total annual Benchmark Gas Costs (BGC) for system supply natural gas purchases for the PBR period to the total annual Actual Gas Costs (AGC) for system supply natural gas purchases during the same period to determine if any Shared Expenses or Shared Savings exist.

The BGC shall include two benchmark components as follows:

$$BGC = TABMGCC + HRF$$

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

APPLICABLE
To all gas sold.

RATE MECHANISM

The monthly amount computed under each of the rate schedules to which this Performance Based Rate Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Component (PBRRRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the Pipeline Supplier's Demand Component and the Gas Supply Cost Component of the Gas Supply Clause (GSC), respectively. The PBRRRC shall be determined for each 12-month period ended October 31 during the effective term of this experimental performance based ratemaking mechanism, which 12-month period shall be defined as the PBR period.

The PBRRRC shall be computed in accordance with the following formula:

$$PBRRRC = \frac{CSPBR + BA}{ES}$$

Where:

ES = Expected Ccf sales, as reflected in the Company's GSC filing for the upcoming 12-month period beginning February 1.

CSPBR = Company Share of Performance Based Ratemaking Mechanism savings or expenses. The CSPBR shall be calculated as follows:

$$CSPBR = TPBRR \times ACSP$$

Where:

TPBRR = Total Performance Based Ratemaking Results. The TPBRR shall be savings or expenses created during the PBR Period. TPBRR shall be calculated as follows:

$$TPBRR = (GAIF + TIF + OSSIF)$$

GAIF

GAIF = Gas Acquisition Index Factor. The GAIF shall be calculated by comparing the total annual Benchmark Gas Costs (BGC) for system supply natural gas purchases for the PBR period to the total annual Actual Gas Costs (AGC) for system supply natural gas purchases during the same period to determine if any Shared Expenses or Shared Savings exist.

The BGC shall include two benchmark components as follows:

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

APPLICABLE
To all gas sold.

RATE MECHANISM

The monthly amount computed under each of the rate schedules to which this Performance Based Rate Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Component (PBRRRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the Pipeline Supplier's Demand Component and the Gas Supply Cost Component of the Gas Supply Clause (GSC), respectively. The PBRRRC shall be determined for each 12-month period ended October 31 during the effective term of this experimental performance based ratemaking mechanism, which 12-month period shall be defined as the PBR period.

The PBRRRC shall be computed in accordance with the following formula:

$$PBRRRC = \frac{CSPBR + BA}{ES}$$

Where:

ES = Expected Ccf sales, as reflected in the Company's GSC filing for the upcoming 12-month period beginning February 1.

CSPBR = Company Share of Performance Based Ratemaking Mechanism savings or expenses. The CSPBR shall be calculated as follows:

$$CSPBR = TPBRR \times ACSP$$

Where:

TPBRR = Total Performance Based Ratemaking Results. The TPBRR shall be savings or expenses created during the PBR Period. TPBRR shall be calculated as follows:

$$TPBRR = (GAIF + TIF + OSSIF)$$

GAIF

GAIF = Gas Acquisition Index Factor. The GAIF shall be calculated by comparing the total annual Benchmark Gas Costs (BGC) for system supply natural gas purchases for the PBR period to the total annual Actual Gas Costs (AGC) for system supply natural gas purchases during the same period to determine if any Shared Expenses or Shared Savings exist.

The BGC shall include two benchmark components as follows:

$$BGC = TABMGCC + HRF$$

Louisville Gas and Electric Company

Original Sheet No. 72.1
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

Where:

TABMGCC represents the Total Annual Benchmark Gas Commodity Costs and is the annual sum of the monthly Benchmark Gas Commodity Costs (**BMGCC**) of gas purchased for system supply; and

HRF represents Historical Reservation Fees and is an annual dollar amount equal to Company's average annual supply reservation fees based on the 24-month period ended October 31 immediately preceding the PBR period.

BMGCC represents Benchmark Gas Commodity Costs and shall be calculated on a monthly basis and accumulated for the PBR period. **BMGCC** shall be calculated as follows:

$$\text{BMGCC} = \text{Sum} \{ (\text{SZFQE}\% \times (\text{APV} - \text{PEFDCQ}) \times \text{SAII} \} + \{ \text{PEFDCQ} \times \text{DAI} \}$$

Where:

SZFQE% is the Supply Zone Firm Quantity Entitlement Percentage derived from Company's firm entitlements by pipeline and by zone for which indices are posted. The percentage represents the pro-rata portion of Company's firm lateral and mainline receipt point quantity entitlements by zone for each transportation contract by pipeline.

i represents each supply area.

APV is the actual purchased volumes of natural gas for system supply for the month. The APV shall include purchases necessary to cover retention volumes required by the pipeline as fuel.

PEFDCQ are the Purchases In Excess of Firm Daily Contract Quantities delivered to Company's city gate. Firm Daily Contract Quantities are the maximum daily contract quantities which Company can deliver to its city gate under its various firm transportation agreements and arrangements.

SAI is the Supply Area Index factor to be established for each supply area in which Company has firm transportation entitlements used to transport its natural gas purchases and for which price postings are available. The four supply areas are TGT-SL (Texas Gas Transmission - Zone SL), TGT-1 (Texas Gas Transmission - Zone 1), TGPL-0 (Tennessee Gas Pipeline - Zone 0), and TGPL-1 (Tennessee Gas Pipeline - Zone 1).

The monthly SAI for TGT-SL, TGT-1, TGPL-0 and TGPL-1 shall be calculated using the following formula:

$$\text{SAI} = \{ [(1) + (2) + (3)] \} / 3$$

DAI is the Delivery Area Index to be established for purchases made by Company when Company has fully utilized its pipeline quantity entitlements on a daily basis and which are for delivery to Company's city gate from either Texas Gas Transmission's Zone 4 or Tennessee Gas Pipeline's Zone 2.

Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

First Revision of Original Sheet No. 14-D
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism (Continued)

$$\text{BGC} = \text{TABMGCC} + \text{HRF}$$

Where:

TABMGCC represents the Total Annual Benchmark Gas Commodity Costs and is the annual sum of the monthly Benchmark Gas Commodity Costs (**BMGCC**) of gas purchased for system supply; and

HRF represents Historical Reservation Fees and is an annual dollar amount equal to Company's average annual supply reservation fees based on the 24-month period ended October 31 immediately preceding the PBR period.

BMGCC represents Benchmark Gas Commodity Costs and shall be calculated on a monthly basis and accumulated for the PBR period. **BMGCC** shall be calculated as follows:

$$\text{BMGCC} = \text{Sum} \{ (\text{SZFQE}\% \times (\text{APV} - \text{PEFDCQ}) \times \text{SAII} \} + \{ \text{PEFDCQ} \times \text{DAI} \}$$

Where:

SZFQE% is the Supply Zone Firm Quantity Entitlement Percentage derived from Company's firm entitlements by pipeline and by zone for which indices are posted. The percentage represents the pro-rata portion of Company's firm lateral and mainline receipt point quantity entitlements by zone for each transportation contract by pipeline.

i represents each supply area.

APV is the actual purchased volumes of natural gas for system supply for the month. The APV shall include purchases necessary to cover retention volumes required by the pipeline as fuel.

PEFDCQ are the Purchases In Excess of Firm Daily Contract Quantities delivered to Company's city gate. Firm Daily Contract Quantities are the maximum daily contract quantities which Company can deliver to its city gate under its various firm transportation agreements and arrangements.

SAI is the Supply Area Index factor to be established for each supply area in which Company has firm transportation entitlements used to transport its natural gas purchases and for which price postings are available. The four supply areas are TGT-SL (Texas Gas Transmission - Zone SL), TGT-1 (Texas Gas Transmission - Zone 1), TGPL-0 (Tennessee Gas Pipeline - Zone 0), and TGPL-1 (Tennessee Gas Pipeline - Zone 1).

Date of Issue: November 15, 2001 Issued By Date Effective: October 26, 2001

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/26/01 in Case No. 2001-017

Louisville Gas and Electric Company

First Revision of Original Sheet No. 14-E
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE	PBR
Experimental Performance Based Rate Mechanism (Continued)	
<p>The monthly SAI for TGT-SL, TGT-1, TGPL-0 and TGPL-1 shall be calculated using the following formula:</p> $SAI = [(1) + (2) + (3)] / 3$	
<p>DAI is the Delivery Area Index to be established for purchases made by Company when Company has fully utilized its pipeline quantity entitlements on a daily basis and which are for delivery to Company's city gate from either Texas Gas Transmission's Zone 4 or Tennessee Gas Pipeline's Zone 2.</p>	
<p>The monthly DAI for TGT-4 and TGPL-2 shall be calculated using the following formula:</p> $DAI = [(1) + (2) + (3)] / 3$	
<p>Where: I represents each index reflective of both supply area prices and price changes throughout the month in these various supply areas.</p>	
<p>The indices for each supply zone are as follows:</p>	
SAI (TGT-SL)	<p>I(1) is the average of weekly <i>Natural Gas Week</i> postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.</p> <p>I(2) is the average of the daily high and low <i>Gas Daily</i> postings for Louisiana - Onshore South Texas Gas Zone SL averaged for the month.</p> <p>I(3) is the <i>Inside FERC's Gas Market Report</i> first-of-the-month posting for Texas Gas Zone SL.</p>
SAI (TGT-1)	<p>I(1) is the average of weekly <i>Natural Gas Week</i> postings for North Louisiana as Delivered to Pipeline.</p> <p>I(2) is the average of the daily high and low <i>Gas Daily</i> postings for Louisiana - Onshore South Texas Gas Zone SL averaged for the month.</p> <p>I(3) is the <i>Inside FERC's Gas Market Report</i> first-of-the-month posting for Texas Gas Zone SL.</p>
SAI (TGPL-1)	<p>I(1) is the average of weekly <i>Natural Gas Week</i> postings for North Louisiana as Delivered to Pipeline.</p> <p>I(2) is the average of the daily high and low <i>Gas Daily</i> postings for East Texas - North Louisiana Area - Texas Gas Entire Zone 1 averaged for the month.</p> <p>I(3) is the <i>Inside FERC's Gas Market Report</i> first-of-the-month posting for Tennessee Zone 0.</p>

Date of Issue: November 15, 2001

Issued By

Date Effective: October 26, 2001

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/26/01 in Case No. 2001-017

Louisville Gas and Electric Company

Original Sheet No. 72.2
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE	PBR
Experimental Performance Based Rate Mechanism	
<p>The monthly DAI for TGT-4 and TGPL-2 shall be calculated using the following formula:</p> $DAI = [(1) + (2) + (3)] / 3$	
<p>Where: I represents each index reflective of both supply area prices and price changes throughout the month in these various supply areas.</p>	
<p>The indices for each supply zone are as follows:</p>	
SAI (TGT-SL)	<p>I(1) is the average of weekly <i>Natural Gas Week</i> postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.</p> <p>I(2) is the average of the daily high and low <i>Gas Daily</i> postings for Louisiana - Onshore South Texas Gas Zone SL averaged for the month.</p> <p>I(3) is the <i>Inside FERC's Gas Market Report</i> first-of-the-month posting for Texas Gas Zone SL.</p>
SAI (TGT-1)	<p>I(1) is the average of weekly <i>Natural Gas Week</i> postings for North Louisiana as Delivered to Pipeline.</p> <p>I(2) is the average of the daily high and low <i>Gas Daily</i> postings for East Texas - North Louisiana Area - Texas Gas Entire Zone 1 averaged for the month.</p> <p>I(3) is the <i>Inside FERC's Gas Market Report</i> first-of-the-month posting for Texas Gas Zone 1.</p>
SAI (TGPL-0)	<p>I(1) is the average of weekly <i>Natural Gas Week</i> postings for Gulf Coast Onshore Texas as Delivered to Pipeline.</p> <p>I(2) is the average of the daily high and low <i>Gas Daily</i> postings for South - Corpus Christi-Tennessee averaged for the month.</p> <p>I(3) is the <i>Inside FERC's Gas Market Report</i> first-of-the-month posting for Tennessee Zone 0.</p>

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 14-F
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism (Continued)

SAI (TGPL-0)

- I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Texas as Delivered to Pipeline.
- I(2) is the average of the daily high and low *Gas Daily* postings for South - Corpus Christi-Tennessee averaged for the month.
- I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee Zone 0.

SAI (TGPL-1)

- I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.
- I(2) is the average of the daily high and low *Gas Daily* postings for Louisiana - Onshore South - Tennessee 500 Leg averaged for the month.
- I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee Zone 1.

DAI (TGT-4) and (TGPL-2)

- I(1) is the average of weekly *Natural Gas Week* postings for Spot Prices on Interstate Pipeline Systems for Dominion - South.
- I(2) is the average of the daily high and low *Gas Daily* postings for the Daily Price Survey for Appalachia - Dominion South Point.
- I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Prices of Spot Gas Delivered to Pipeline for Dominion Transmission Inc. - Appalachia.

AGC represents Company's total annual Actual Gas Costs of natural gas purchased for system supply and is equal to the total monthly actual gas commodity costs and supply reservation fees plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments paid by Company to its suppliers accumulated for the PBR period. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that AGC exceeds BGC for the PBR period, then the GAIF Shared Expenses shall be computed as follows:

Date of Issue: November 15, 2001

Issued By

Date Effective: October 26, 2001

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/26/01 in Case No. 2001-017

Louisville Gas and Electric Company

Original Sheet No. 72.3
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism

SAI (TGPL-1)

- I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.
- I(2) is the average of the daily high and low *Gas Daily* postings for Louisiana - Onshore South - Tennessee 500 Leg averaged for the month.
- I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee Zone 1.

DAI (TGT-4) and (TGPL-2)

- I(1) is the average of weekly *Natural Gas Week* postings for Spot Prices on Interstate Pipeline Systems for Dominion - South.
- I(2) is the average of the daily high and low *Gas Daily* postings for the Daily Price Survey for Appalachia - Dominion South Point.
- I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Prices of Spot Gas Delivered to Pipeline for Dominion Transmission Inc. - Appalachia.

AGC represents Company's total annual Actual Gas Costs of natural gas purchased for system supply and is equal to the total monthly actual gas commodity costs and supply reservation fees plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments paid by Company to its suppliers accumulated for the PBR period. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that AGC exceeds BGC for the PBR period, then the GAIF Shared Expenses shall be computed as follows:

Shared Expenses = AGC - BGC

To the extent that AGC is less than BGC for the PBR period, then the GAIF Shared Savings shall be computed as follows:

Shared Savings = BGC - AGC

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 72.4
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism

TIF

The Transportation Index Factor. The Transportation Index Factor shall be calculated by comparing the Total Annual Benchmark Monthly Gas Transportation Costs (TABMGTC) of natural gas transportation services during the PBR period, to the Total Annual Actual Gas Transportation Costs (TAAGTC) applicable to the same period to determine if any Shared Expenses or Shared Savings exist.

The Total Annual Benchmark Monthly Gas Transportation Costs (TABMGTC) are calculated as follows:

$$\text{TABMGTC} = \text{Annual Sum of Monthly BMGTC}$$

Where:

BMGTC is the Benchmark Monthly Gas Transportation Costs which include both demand and volumetric costs associated with natural gas pipeline transportation services. The BMGTC shall be accumulated for the PBR period and shall be calculated as follows:

$$\text{BMGTC} = \text{Sum [BM(TGT) + BM(TGPL) + BM(PPL)]}$$

Where:

BM(TGT) is the benchmark associated with Texas Gas Transmission Corporation.

BM(TGPL) is the benchmark associated with Tennessee Gas Pipeline Company.

BM(PPL) is the benchmark associated with a proxy pipeline. The appropriate benchmark, which will be determined at the time of purchase, will be used to benchmark purchases of transportation capacity from non-traditional sources.

The benchmark associated with each pipeline shall be calculated as follows:

$$\text{BM(TGT)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

$$\text{BM(TGPL)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

$$\text{BM(PPL)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

Where:

TPDR is the applicable Tariffed Pipeline Demand Rate.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 14-G
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism (Continued)

$$\text{Shared Expenses} = \text{AGC} - \text{BGC}$$

To the extent that AGC is less than BGC for the PBR period, then the GAIF Shared Savings shall be computed as follows:

$$\text{Shared Savings} = \text{BGC} - \text{AGC}$$

TIF

The Transportation Index Factor. The Transportation Index Factor shall be calculated by comparing the Total Annual Benchmark Monthly Gas Transportation Costs (TABMGTC) of natural gas transportation services during the PBR period, to the Total Annual Actual Gas Transportation Costs (TAAGTC) applicable to the same period to determine if any Shared Expenses or Shared Savings exist.

The Total Annual Benchmark Monthly Gas Transportation Costs (TABMGTC) are calculated as follows:

$$\text{TABMGTC} = \text{Annual Sum of Monthly BMGTC}$$

Where:

BMGTC is the Benchmark Monthly Gas Transportation Costs which include both demand and volumetric costs associated with natural gas pipeline transportation services. The BMGTC shall be accumulated for the PBR period and shall be calculated as follows:

$$\text{BMGTC} = \text{Sum [BM(TGT) + BM(TGPL) + BM(PPL)]}$$

Where:

BM(TGT) is the benchmark associated with Texas Gas Transmission Corporation.

BM(TGPL) is the benchmark associated with Tennessee Gas Pipeline Company.

Date of Issue: November 15, 2001

Issued By

Date Effective: October 26, 2001

Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/26/01 in Case No. 2001-917

Louisville Gas and Electric Company

Original Sheet No. 14-H
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism (Continued)

BM(PPL) is the benchmark associated with a proxy pipeline. The appropriate benchmark, which will be determined at the time of purchase, will be used to benchmark purchases of transportation capacity from non-traditional sources.

The benchmark associated with each pipeline shall be calculated as follows:

$$\text{BM(TGT)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

$$\text{BM(TGPL)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

$$\text{BM(PPL)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

Where:

TPDR is the applicable Tariffed Pipeline Demand Rate.

DQ is the Demand Quantities contracted for by Company from the applicable transportation provider.

TPCR is the applicable Tariffed Pipeline Commodity Rate.

AV is the Actual Volumes delivered at Company's city-gate by the applicable transportation provider for the month.

S&DB represents Surcharges, Direct Bills and other applicable amounts approved by the Federal Energy Regulatory Commission (FERC). Such amounts are limited to FERC-approved charges such as surcharges, direct bills, cashouts, take-or-pay amounts, Gas Supply Realignment and other Order 636 transition costs.

The Total Annual Actual Gas Transportation Costs (**TAAGTC**) paid by Company for the PBR period shall include both demand and volumetric costs associated with natural gas pipeline transportation services as well as all applicable FERC-approved surcharges, direct bills and cashouts included in **S&DB**, plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that **TAAGTC** exceeds **TABMGTC** for the PBR period, then the TIF Shared Expenses shall be computed as follows:

$$\text{Shared Expenses} = \text{TAAGTC} - \text{TABMGTC}$$

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Louisville, Kentucky
Issued Pursuant to K.F.S.C. Order dated 10/26/01 in Case No. 2001-917

Louisville Gas and Electric Company

Original Sheet No. 72.5
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism

DQ is the Demand Quantities contracted for by Company from the applicable transportation provider.

TPCR is the applicable Tariffed Pipeline Commodity Rate.

AV is the Actual Volumes delivered at Company's city-gate by the applicable transportation provider for the month.

S&DB represents Surcharges, Direct Bills and other applicable amounts approved by the Federal Energy Regulatory Commission (FERC). Such amounts are limited to FERC-approved charges such as surcharges, direct bills, cashouts, take-or-pay amounts, Gas Supply Realignment and other Order 636 transition costs.

The Total Annual Actual Gas Transportation Costs (**TAAGTC**) paid by Company for the PBR period shall include both demand and volumetric costs associated with natural gas pipeline transportation services as well as all applicable FERC-approved surcharges, direct bills and cashouts included in **S&DB**, plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that **TAAGTC** exceeds **TABMGTC** for the PBR period, then the TIF Shared Expenses shall be computed as follows:

$$\text{Shared Expenses} = \text{TAAGTC} - \text{TABMGTC}$$

To the extent that **TAAGTC** is less than **TABMGTC** for the PBR period, then the TIF Shared Savings shall be computed as follows:

$$\text{Shared Savings} = \text{TABMGTC} - \text{TAAGTC}$$

Should one of Company's pipeline transporters file a rate change effective during any PBR period and bill such proposed rates subject to refund, the period over which the benchmark comparison is made for the relevant transportation costs will be extended for one or more 12-month periods, until the FERC has approved final settled rates, which will be used as the appropriate benchmark. Company will not share in any of the savings or expenses related to the affected pipeline until final settled rates are approved.

OSSIF

OSSIF = Off-System Sales Index Factor. The Off-System Sales Index Factor shall be equal to the Net Revenue from Off-System Sales (NR).

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Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 72.6
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

Net Revenue is calculated as follows:

$$NR = OSREV - OOPC$$

Where:

OSREV is the total revenue associated with off-system sales and storage service transactions.

OOPC is the out-of-pocket costs associated with off-system sales and storage service transactions, and shall be determined as follows:

$$OOPC = OOPC(GC) + OOPC(TC) + OOPC(SC) + OOPC(UGSC) + \text{Other Costs}$$

Where:

OOPC(GC) is the Out-of-Pocket Gas Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm supply contracts, the OOPC(GC) shall be the incremental cost to purchase the gas available under Company's firm supply contracts. For off-system sales not using Company's firm supply contracts, the OOPC(GC) shall be the incremental costs to purchase the gas from other entities.

OOPC(TC) is the Out-of-Pocket Transportation Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm transportation agreements, the OOPC(TC) shall be the incremental cost to use the transportation available under Company's firm supply contracts. For off-system sales not using Company's firm transportation agreements, the OOPC(TC) shall be the incremental costs to purchase the transportation from other entities.

OOPC(SC) is the Out-of-Pocket Storage Costs associated with off-system sales of storage. If this is gas in Company's own storage it shall be priced at the average price of the gas in Company's storage during the month of the sale. If this is gas from the storage component of Texas Gas's No-Notice Service, this gas shall be priced at the replacement cost.

OOPC(UGSC) is the Out-of-Pocket Underground Storage Costs associated with off-system sales of storage services. For the off-systems sales of storage services utilizing Company's on-system storage, the OOPC(UGSC) shall include incremental storage losses, odorization, and other fuel-related costs such as purification, dehydration, and compression. Such costs shall exclude labor-related expenses.

Other Costs represent all other incremental costs and include, but are not limited to, costs such as applicable sales taxes and excise fees plus the gains and/or losses from the use of financial hedging instruments and the transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

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Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 14-1
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism (Continued)

To the extent that TAAGTC is less than TABMGTC for the PBR period, then the TIF Shared Savings shall be computed as follows:

$$\text{Shared Savings} = \text{TABMGTC} - \text{TAAGTC}$$

Should one of Company's pipeline transporters file a rate change effective during any PBR period and bill such proposed rates subject to refund, the period over which the benchmark comparison is made for the relevant transportation costs will be extended for one or more 12-month periods, until the FERC has approved final settled rates, which will be used as the appropriate benchmark. Company will not share in any of the savings or expenses related to the affected pipeline until final settled rates are approved.

OSSF

OSSF = Off-System Sales Index Factor. The Off-System Sales Index Factor shall be equal to the Net Revenue from Off-System Sales (NR).

Net Revenue is calculated as follows:

$$NR = OSREV - OOPC$$

Where:

OSREV is the total revenue associated with off-system sales and storage service transactions.

OOPC is the out-of-pocket costs associated with off-system sales and storage service transactions, and shall be determined as follows:

$$OOPC = OOPC(GC) + OOPC(TC) + OOPC(SC) + OOPC(UGSC) + \text{Other Costs}$$

Where:

OOPC(GC) is the Out-of-Pocket Gas Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm supply contracts, the

Date of Issue: November 15, 2001

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Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/26/01 in Case No. 2001-017

Date Effective: October 26, 2001

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism (Continued)

OOPC(GC) shall be the incremental cost to purchase the gas available under Company's firm supply contracts. For off-system sales not using Company's firm supply contracts, the OOPC(GC) shall be the incremental costs to purchase the gas from other entities.

OOPC(TC) is the Out-of-Pocket Transportation Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm transportation agreements, the OOPC(TC) shall be the incremental cost to use the transportation available under Company's firm supply contracts. For off-system sales not using Company's firm transportation agreements, the OOPC(TC) shall be the incremental costs to purchase the transportation from other entities.

OOPC(SC) is the Out-of-Pocket Storage Costs associated with off-system sales of storage. If this is gas in Company's own storage it shall be priced at the average price of the gas in Company's storage during the month of the sale. If this is gas from the storage component of Texas Gas's No-Notice Service, this gas shall be priced at the replacement cost.

OOPC(UGSC) is the Out-of-Pocket Underground Storage Costs associated with off-system sales of storage services. For the off-systems sales of storage services utilizing Company's on-system storage, the OOPC(UGSC) shall include incremental storage losses, odorization, and other fuel-related costs such as purification, dehydration, and compression. Such costs shall exclude labor-related expenses.

Other Costs represent all other incremental costs and include, but are not limited to, costs such as applicable sales taxes and excise fees plus the gains and/or losses from the use of financial hedging instruments and the transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

ACSP

ACSP = Applicable Company Sharing Percentage. The ACSP shall be determined based on the PTAGSC.

Where:

PTAGSC = Percentage of Total Actual Gas Supply Costs. The PTAGSC shall be the TPBRR stated as a Percentage of Total Actual Gas Supply Costs and shall be calculated as follows:

STANDARD RATE SCHEDULE PBR
Experimental Performance Based Rate Mechanism

ACSP

ACSP = Applicable Company Sharing Percentage. The ACSP shall be determined based on the PTAGSC.

Where:

PTAGSC = Percentage of Total Actual Gas Supply Costs. The PTAGSC shall be the TPBRR stated as a Percentage of Total Actual Gas Supply Costs and shall be calculated as follows:

$$PTAGSC = \frac{TPBRR}{TAGSC}$$

Where:

TAGSC = Total Actual Gas Supply Costs. The TAGSC shall be calculated as follows:

$$TAGSC = AGC + TAAGTC$$

If the absolute value of the PTAGSC is less than or equal to 4.5%, then the ACSP of 25% shall be applied to TPBRR to determine CSPBR. If the absolute value of the PTAGSC is greater than 4.5%, then the ACSP of 25% shall be applied to the amount of TPBRR that is equal to 4.5% of TAGSC to determine a portion of CSPBR, and the ACSP of 50% shall be applied to the amount of TPBRR that is in excess of 4.5% of TAGSC to determine a portion of CSPBR. These two portions are added together to produce the total CSPBR.

BA

BA = Balance Adjustment. The BA is used to reconcile the difference between the amount of revenues billed or credited through the CSPBR and previous application of the BA and revenues which should have been billed or credited, as follows:

- 1) For the CSPBR, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the CSPBR and the actual amount used to establish the CSPBR for the period.
- 2) For the BA, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the BA and the actual amount used to establish the BA for the period.

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism (Continued)

$$PTAGSC = \frac{TPBRR}{TAGSC}$$

Where:

TAGSC = Total Actual Gas Supply Costs. The TAGSC shall be calculated as follows:

$$TAGSC = AGC + TAAGTC$$

If the absolute value of the PTAGSC is less than or equal to 4.5%, then the ACSP of 25% shall be applied to TPBRR to determine CSPBR. If the absolute value of the PTAGSC is greater than 4.5%, then the ACSP of 25% shall be applied to the amount of TPBRR that is equal to 4.5% of TAGSC to determine a portion of CSPBR, and the ACSP of 50% shall be applied to the amount of TPBRR that is in excess of 4.5% of TAGSC to determine a portion of CSPBR. These two portions are added together to produce the total CSPBR.

BA

BA = Balance Adjustment. The BA is used to reconcile the difference between the amount of revenues billed or credited through the CSPBR, and previous application of the BA and revenues which should have been billed or credited, as follows:

- 1) For the CSPBR, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the CSPBR and the actual amount used to establish the CSPBR for the period.
- 2) For the BA, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the BA and the actual amount used to establish the BA for the period.

Review

Within 60 days of the end of the third year of the four-year extension, the Company will file an assessment and review of the PBR mechanism for the first three years of the extension period. In that report and assessment, the Company will make any recommended modifications to the PBR mechanism.

Date of Issue: November 15, 2001

Issued By

Date Effective: October 26, 2001

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 10/7/01 in Case No. 2001-017

STANDARD RATE SCHEDULE **PBR**
Experimental Performance Based Rate Mechanism

Review

Within 60 days of the end of the third year of the four-year extension, the Company will file an assessment and review of the PBR mechanism for the first three years of the extension period. In that report and assessment, the Company will make any recommended modifications to the PBR mechanism.

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Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 8
P.S.C. of Ky. Gas No. 5

STANDARD RIDER WNA
Weather Normalization Adjustment Clause Applicable to Rates RGS and CGS

WEATHER NORMALIZATION ADJUSTMENT (WNA)

The sales to Residential and Commercial Customers under Rate Schedules RGS and CGS shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

Determination of WNA

Weather normalized volumes shall be utilized during the December through April billing months to calculate the non-gas portion of the bills of all heating Customers served under Rate Schedules RGS and CGS. During the remainder of the year, May through November, the monthly bills shall be computed based on actual consumption.

Weather Normalization Adjustment will be calculated using the following formula:

$$WNA = [(Actual\ Mcf - Base\ Load\ Mcf) * (Normal\ Degree\ Days/Actual\ Degree\ Days)]$$

Each Customer's base load will be determined individually, and will be recomputed annually. Rates used in the computation of the WNA shall be determined based on the applicable base rate charge as set forth on the RGS and CGS Rate Schedules.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

Louisville Gas and Electric Company

Original Sheet No. 73
P.S.C. of Ky. Gas No. 6

STANDARD RIDER WNA
Weather Normalization Adjustment Clause Applicable to Rates RGS and CGS

WEATHER NORMALIZATION ADJUSTMENT (WNA)

The sales to Residential and Commercial Customers under Rate Schedules RGS and CGS shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

Determination of WNA

Weather normalized volumes shall be utilized during the November through April billing periods to calculate the non-gas portion of the bills of all heating Customers served under Rate Schedules RGS and CGS. During the remainder of the year, May through October, the bills shall be computed based on actual consumption.

Weather Normalization Adjustment will be calculated using the following formula:

$$WNA = [(Actual\ Mcf - Base\ Load\ Mcf) * (Normal\ Degree\ Days/Actual\ Degree\ Days)]$$

Each Customer's base load will be determined individually, and will be recomputed annually. Rates used in the computation of the WNA shall be determined based on the applicable base rate charge as set forth on the RGS and CGS Rate Schedules.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 11-G
P.S.C. of Ky. Gas No. 5

STANDARD RIDER

Franchise Fee and Local Tax

APPLICABILITY

All gas rate schedules.

MONTHLY CHARGE

A surcharge shall be calculated and added to the total bill for gas service each month for all customers located within local governmental jurisdictions which impose municipal franchise fees or other local taxes on the Company by ordinance, franchise, or otherwise. Such fees or taxes shall be net of any corresponding fees or taxes which are currently included in the base charges of each rate schedule.

The amount calculated shall be applied exclusively to the bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. The fee or tax shall be added to the customer's bill as a separate item. Where more than one such fee or tax is imposed, each of the fees or taxes applicable to each customer shall be added to the monthly bills as separately identified items.

Customers receiving service in the following local jurisdictions shall pay the applicable franchise fee or local tax based on the following effective rates:

Municipality or
Political Subdivision
City of Radcliff, Kentucky

Franchise Fee
or Local Tax Rate

3% of Gross Receipts

Date of Issue: September 30, 1997

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: February 1, 1998
Refiled: October 16, 2000

Louisville Gas and Electric Company

Original Sheet No. 74
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

Franchise Fee and Local Tax

APPLICABILITY

All gas rate schedules.

MONTHLY CHARGE

A surcharge shall be calculated and added to the total bill for gas service for all customers located within local governmental jurisdictions which impose municipal franchise fees or other local taxes on the Company by ordinance, franchise, or otherwise. Such fees or taxes shall be net of any corresponding fees or taxes which are currently included in the base charges of each rate schedule.

The amount calculated shall be applied exclusively to the bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. The fee or tax shall be added to the customer's bill as a separate item. Where more than one such fee or tax is imposed, each of the fees or taxes applicable to each customer shall be added to the bills as separately identified items.

Customers receiving service in the following local jurisdictions shall pay the applicable franchise fee or local tax based on the following effective rates:

Municipality or
Political Subdivision

Franchise Fee
or Local Tax Rate

3% of Gross Receipts

City of Radcliff, Kentucky

Date of Issue: December 28, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Third Revision of Original Sheet No. 11-F
P.S.C. of Ky. Gas No. 5

STANDARD RIDER

VDSR

Value Delivery Surcredit Rider

APPLICABLE
In all territory served by the Company.

AVAILABILITY OF SERVICE
To all gas rate schedules.

RATE

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Value Delivery Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Value Delivery Surcredit Factor} = \text{VDS} + \text{BA}$$

Where:
(VDS) is the Value Delivery Surcredit which is based on the total Company net savings that are to be distributed to the Company's customers in each 12-month period.

	Net Savings to be Distributed	Value Delivery Surcredit (VDS)
Year 1, Dec 1, 2001 to Dec 31, 2001	\$ 120,000	0.27%
Year 2, Jan 1, 2002 to Dec 31, 2002	\$ 320,000	0.12%
Year 3, Jan 1, 2003 to Dec 31, 2003	\$ 1,240,000	0.54%
Year 4, Jan 1, 2004 to Dec 31, 2004	\$ 1,520,000	0.65%
Year 5, Jan 1, 2005 to Dec 31, 2005	\$ 1,800,000	0.72%
Year 6, Jan 1, 2006 to Mar 31, 2006	\$ 440,000	0.39%

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Value Delivery Surcredit Factor from the previous year by the expected retail gas revenues. The final Balancing Adjustment will be applied to customer billings in the second month following the fifth distribution year.

TERMS OF DISTRIBUTION

- (1) The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
- (2) In the event that the actual net savings to the customers differs from the values shown under "Net Savings to be Distributed" an adjustment shall be made to Year 6 via the Balancing Adjustment. The determination of any such adjustment shall be reported to the Commission when it becomes available.
- (3) On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under-distributions.
- (4) The Value Delivery Surcredit shall be applied to the customer's bill following the rates and charges for gas service, but before application of the school tax, the franchise fee, sales tax or similar items.
- (5) The Value Delivery Surcredit shall be withdrawn with application of the final Balancing Adjustment following Year 6.

Date of Issue: January 21, 2002
Canceling Second Revision of Original Sheet No. 11-F
Issued December 7, 2001

Issued By: Michael S. Beer, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 12/3/01 in Case No. 2001-169

Date Effective: With Bills Rendered On and After December 3, 2001

Louisville Gas and Electric Company

Original Sheet No. 75
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

VDSR

Value Delivery Surcredit Rider

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
To all gas rate schedules.

RATE

The billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Value Delivery Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Value Delivery Surcredit Factor} = \text{VDS} + \text{BA}$$

Where:
(VDS) is the Value Delivery Surcredit which is based on the total Company net savings that are to be distributed to the Company's customers in each 12-month period.

	Net Savings to be Distributed	Value Delivery Surcredit (VDS)
Year 1, Dec 1, 2001 to Dec 31, 2001	\$ 120,000	0.27%
Year 2, Jan 1, 2002 to Dec 31, 2002	\$ 320,000	0.12%
Year 3, Jan 1, 2003 to Dec 31, 2003	\$ 1,240,000	0.54%
Year 4, Jan 1, 2004 to Dec 31, 2004	\$ 1,520,000	0.65%
Year 5, Jan 1, 2005 to Dec 31, 2005	\$ 1,800,000	0.72%
Year 6, Jan 1, 2006 to Mar 31, 2006	\$ 440,000	0.39%

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Value Delivery Surcredit Factor from the previous year by the expected retail gas revenues. The final Balancing Adjustment will be applied to customer billings in the second month following the fifth distribution year.

TERMS OF DISTRIBUTION

- (1) The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
- (2) In the event that the actual net savings to the customers differs from the values shown under "Net Savings to be Distributed" an adjustment shall be made to Year 6 via the Balancing Adjustment. The determination of any such adjustment shall be reported to the Commission when it becomes available.
- (3) On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the

Date of Issue: December 29, 2003

Issued By: Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 75.1
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

VDSR

Value Delivery Surcredit Rider

amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under-distributions.

- (4) The Value Delivery Surcredit shall be applied to the customer's bill following the rates and charges for gas service, but before application of the school tax, the franchise fee, sales tax or similar items.
- (5) The Value Delivery Surcredit shall be withdrawn with application of the final Balancing Adjustment following Year 5.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 76
P.S.C. of Ky. Gas No. 6

N

STANDARD RIDER

ST

School Tax

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is applied as a rate increase to all other schedules pursuant to KRS 160.617 for the recovery by the utility of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

RATE

The utility gross receipts license tax imposed by the county but not to exceed 3%.

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Michael S. Beer, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 80
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS Customer Bill of Rights

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days, you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March.
- If you have been disconnected due to non-payment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
 - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
 - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
 - 3) Accept referral to the Human Resources Weatherization Program, and
 - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.

You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (call Toll Free 1-800-772-4636).

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Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 81
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS

General

COMMISSION RULES AND REGULATIONS

All gas service supplied by the Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

COMPANY TERMS AND CONDITIONS.

In addition to the rules and regulations of the Commission, all gas service supplied by the Company shall be in accordance with these Terms and Conditions which shall constitute a part of all applications and contracts for service.

RATES, TERMS AND CONDITIONS ON FILE

A copy of the rate schedules, terms, and conditions under which gas service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, terms and conditions, together with the law, rules, and regulations of the Commission, is available for public inspection in each office of the Company where bills may be paid.

ASSIGNMENT

No order for service, agreement or contract for service may be assigned or transferred without the written consent of the Company.

RENEWAL OF CONTRACT

If, upon the expiration of any service contract for a specified term, the customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one year each, subject to termination at the end of any year upon 30 days prior written notice by either party.

AGENTS CANNOT MODIFY AGREEMENT WITHOUT CONSENT OF P.S.C. OF KY.

No agent has power to amend, modify, alter, or waive any of these TERMS AND CONDITIONS, or to bind the Company by making any promises or representations not contained herein.

SUPERSEDE PREVIOUS TERMS AND CONDITIONS

These TERMS AND CONDITIONS supersede all terms and conditions under which the Company has previously supplied gas service

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
Customer Responsibilities

APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before the Company is obligated to render gas service. The Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using gas service is clearly outside the scope of Company's standard rate schedules, Company may establish special terms and require special contracts giving effect to such unusual circumstances.

TRANSFER OF APPLICATION

Applications for gas service are not transferable and new occupants of premises will be required to make application for service before commencing the use of gas. Customers who have been receiving gas service shall notify the Company when discontinuance of service is desired, and shall pay for all gas service furnished until such notice has been given and final meter readings made by the Company.

OPTIONAL RATES

If two or more rate schedules are available for the same class of service, it is the customer's responsibility to determine the options available and to designate the schedule under which he desires to receive service.

The Company will, at any time, upon request, advise any Customer as to the most advantageous rate for existing or anticipated service requirements as defined by the Customer, but the Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

In those cases in which the most favorable rate is difficult to predetermine, the customer will be given the opportunity to change to another schedule, unless otherwise prevented by the rate schedule under which the Customer is currently served, after trial of the schedule originally designated; however, after the first such change, the Company shall not be required to make a change in schedule more often than once in twelve months.

From time to time, the Customer should investigate his operating conditions to determine a desirable change from one available rate to another. The Company, lacking knowledge of changes that may occur at any time in the Customer's operating conditions, does not assume responsibility that Customers will at all times be served under the most beneficial rate.

In no event will the Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.

CUSTOMER'S EQUIPMENT AND INSTALLATION.

The customer shall furnish, install, and maintain at his expense the necessary Customer's Service Line extending from Company's Service Connection at the property line to the building or place of utilization of the gas.

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
Customer Responsibilities

All piping, appliances, and other gas equipment and apparatus, except the meter and regulator, located on and within the customer's premises beyond point of connection with the Company's Service Commission at the property line shall be furnished and installed by and at the expense of the customer, and shall be maintained by the customer in good and safe condition. The Company assumes no responsibility whatsoever for the condition of the customer's piping, apparatus or appliances, nor for the maintenance or renewal of any portion thereof.

OWNER'S CONSENT TO OCCUPY

The Customer shall grant easements and rights-of-way on and across Customer's property at no cost to the Company.

ACCESS TO PREMISES AND EQUIPMENT

The Company shall have the right of access to the customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of gas service or for the purpose of turning on and shutting off the gas supply when necessary and for all other proper purposes. The customer shall not construct or permit the construction of any structure or device which will restrict the access of the Company to its equipment for any of the above purposes.

PROTECTION OF COMPANY'S PROPERTY

Customers will be held responsible for tampering, interfering with, breaking of seals of meters, or other equipment of the Company installed on the Customer's premises, and will be held liable for same according to law. The Customer hereby agrees that no one except the employees of the Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of the Company. Upon the absence of an active account, the property owner assumes the responsibility for any consumption and the Company's property and service.

EXCLUSIVE SERVICE ON INSTALLATION CONNECTED

Gas service shall not be used for purposes other than as set forth in customer's application or contract.

LIABILITY

The Customer assumes all responsibility for the gas service upon the Customer's premises at and from the point of delivery of gas and for the pipes and equipment used in connection therewith, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the Customer's premises or at and from the point of delivery of gas, occasioned by such gas or said pipes and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of the Company.

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Michael S. Bear, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 82.2
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS
Customer Responsibilities

NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service pipes, meters, and appurtenances supplied by the Company for the rendition of gas service to its customers have a definite capacity. In the event that the customer contemplates any material increase in his connected load, whether in a single increment or over an extended period, he shall immediately give the Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice the customer may be held liable for any damage done to meters, regulators, or other equipment of the Company caused by such material increase in the customer's connected load.

PERMITS

The customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give the Company or its agents access to the customer's premises and equipment and to enable its service to be connected therewith. In case the customer is not the owner of the premises or of intervening property between the premises and the Company's distribution mains, the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and across such intervening property of the customer's piping and facilities required for the supply of gas service to the customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, the Company shall obtain the aforementioned consent.

The Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under the customer's application until a reasonable time after such permits are granted.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 83
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS Company Responsibilities

METERING

The gas used will be measured by a meter or meters to be furnished and installed by the Company at its expense and all bills will be calculated upon the registration of said meters. When service is supplied by Company at more than one delivery point on the same premises, each delivery point will be metered and billed separately on the rate applicable. Meters include all measuring instruments. Meters will be located outside whenever possible. Otherwise, meters will be located as near as possible to the service entrance and on the ground floor of the building, in a clean, dry, safe and easily accessible place, free from vibration, agreed to by the Company.

POINT OF DELIVERY OF GAS

The point of delivery of gas supplied by the Company shall be at the point where the gas passes from the pipes of Company's Service Connection into the customer's Service Line, irrespective of the location of the metering and regulating equipment.

COMPANY'S EQUIPMENT AND INSTALLATION

The Company will furnish, install, and maintain at its expense the necessary Service Connection extending from its main to the customer's nearest property line, the location of which Service Connection shall be at the discretion of the Company.

The Company will furnish, install, and maintain at its expense the necessary meter, regulator, and connections appurtenant thereto, which shall be located in accordance with the discretion and judgment of the Company. A suitable site or location for such meter and regulation, together with an adequate protective enclosure for the same, if required, shall be provided by the customer. Title to the meter, regulator, and connections shall remain in the Company, with the right to install, operate, maintain and remove same. The customer shall protect such property of the Company from loss or damage, and no one who is not an agent of the Company shall be permitted to remove, damage or tamper with the same. The customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish the Company with realistic estimates of prospective gas requirements.

COMPANY NOT LIABLE FOR INTERRUPTIONS

The Company will exercise reasonable care and diligence in an endeavor to supply gas service continuously and without interruption, except as provided in the terms of certain rate schedules; however, the Company does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of gas service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of the Company.

COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

The Company is merely a supplier of gas service delivered at the Company's property line, and shall not be liable for and shall be protected and held harmless for any injury or damage to

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 83.1
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS
Company Responsibilities

persons or property of the Customer or of third persons resulting from the presence, use or abuse of gas on the Customer's premises or resulting from defects in or accidents to any of Customer's piping, equipment, apparatus or appliances, or resulting from any cause whatsoever other than the negligence of the Company.

LIABILITY

In no event shall the Company have any liability to the Customer or any other party affected by the gas service to the Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to the Customer or any other party. In the event that the Customer's use of the Company's service causes damage to the Company's property or injures to persons, the Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold the Company harmless from any and all suits, claims, losses, and expenses associated therewith.

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Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 84
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS
Character of Service

HEATING VALUE

The gas to be supplied by Company shall be natural gas with a heating value of not less than 1,000 Btu per cubic foot; provided, however, that in the case of a supply emergency, Company reserves the right to supplement its supply of natural gas with a mixture of vaporized liquified petroleum gas and air, in which case the heating value of the gas mixture supplied shall not be less than 1,000 Btu per cubic foot.

STANDARD PRESSURE AND MEASUREMENT BASE

The standard distribution pressure of the gas supplied by Company is four ounces per square inch above atmospheric pressure.

Atmospheric pressure shall be assumed in all cases to be 14.5 pounds per square inch and temperature shall be assumed to be 60 degrees Fahrenheit; provided, however, the Company reserves the right for billing purposes to correct as necessary the actual temperature to a 60 degree Fahrenheit basis in the case of large volume customers.

All gas measured at pressures higher than the standard pressure shall be converted to a pressure base of 14.73 pounds per square inch absolute for billing purposes.

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 85
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS

Billing

METER READINGS AND BILLS

Each bill for utility service shall be issued in compliance with 807 KAR 5:006, Section 6.

All bills will be based upon meter readings made in accordance with the Company's meter reading schedule. The Company, except if prevented by reasons beyond its control, shall read customers meters at least quarterly, except that customer-read meters shall be read at least once during the calendar year.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's electric or gas meter fails to register properly by reason of damage, accident, etc., the Company shall have the right to estimate the customer's consumption during the period of failure on the basis of such factors as the customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where the Company serves a customer with both electric and gas service at the same service location, the Company will render a combined bill. Provided, however, a residential customer may request, and the Company will render, separate bills under the following conditions: (1) the customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) the customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable in their net amount at the office of the Company during business hours, or at other locations designated by the Company, within 15 days from date of rendition thereof. In the event a bill is not paid on or before the final day of this 15 day net payment period, the gross bill including forfeited discount or delayed payment charge shall become due and payable at the office of the Company.

Failure to receive a bill does not exempt a customer from these provisions of the Company's Terms and Conditions.

READING OF SEPARATE METERS NOT COMBINED

For billing purposes, each meter upon the customer's premises will be considered separately and readings of two or more meters will not be combined except where the Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS
Billing

MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, the Company will monitor the usage of each customer at least once annually. Should an unusual deviation in the customer's consumption be found which cannot be attributed to a readily identified cause, the Company will perform a detailed analysis of the customer's meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:008, Section 10(4), and (5). In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

RESALE OF GAS

Gas service furnished under the Company's standard application or contract is for the use of the customer only, and no customer shall resell such gas to any other person, firm, or corporation on the customer's premises or for use on any other premises without the written consent of Company. If gas is resold in accordance with such written consent of Company, the gas may be resold only under one of the following two procedures: (1) the bill for natural gas service shall be divided by the total volume delivered to the customer during the month by LG&E and the resulting cost per unit of volume shall be applied to the volume of gas used by each end-user; or (2) such gas shall be resold at rates which are identical to the rates which would be charged by the Company for like and contemporaneous service.

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Michael S. Beer, Vice President
Louisville, Kentucky

TERMS AND CONDITIONS

Deposits

The Company may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. The Company may offer customers the option of paying all or a portion of their deposits in installments over a period not to exceed the first three normal billing periods. Service may be refused or discontinued for failure to pay the requested deposit.

Generally, deposits will be required from all customers not meeting satisfactory credit and payment criteria. Satisfactory credit for customers will be determined by utilizing independent credit sources (primarily utilized with new customers having no prior history with the Company), as well as historic and ongoing payment and credit history with the Company. Examples of independent credit scoring resources include credit scoring services, public record financial information, financial scoring and modeling services, and information provided by independent credit/financial watch services. Satisfactory payment criteria with the Company may be established by paying all bills rendered, having no disconnections for nonpayment, having no late notices, having no defaulted credit arrangements, having no returned payments, having no meter diversion or theft of service.

If a non-residential customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by the Company in its sole discretion, the Company may require a new or additional deposit from the customer. A new or additional deposit may also be required if the customer's classification of service changes or if there is a substantial change in usage.

Interest on deposits will be calculated at the rate prescribed by law, from the date of deposit, and will be paid annually either by refund or credit to the customer's bills, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit. If interest is paid or credited to the customer's bill prior to 12 months from the date of deposit, the payment or credit will be on a prorated basis. Upon termination of service, the deposit, any principal amounts, and interest earned and owing will be credited to the final bill, with any remainder refunded to the customer.

Residential deposits will be retained for a period not to exceed 12 months, provided the customer has met satisfactory payment and credit criteria. Non-residential deposits will be maintained as long as the customer remains on service.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

DEPOSIT AMOUNT

Residential gas customers will pay a deposit in the amount of \$120.00, which is calculated in accordance with 807 KAR 5:006 Section 7(1)(b). For combination gas and electric customers, the total deposit will be \$240.00.

Non-residential customers' deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and

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Michael S. Beer, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 86.1
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS

Deposits

The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

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Michael S. Bear, Vice President
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 87
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS
Budget Payment Plan

The Company's Budget Payment Plan is available to residential customers and to small commercial customers served under Rates CGS. Small business customers must have a minimum of three months of usage history and a zero balance owed on their account(s) to be eligible for the Budget Payment Plan. Small business customers with combined gas and electric services must be served exclusively under General Service Rate GS for their electric service. Under this plan, a customer may elect to pay, each month, a budgeted amount in lieu of billings for actual usage. A customer may enroll in the plan at any time.

The budgeted amount will be determined by the Company, and will be based on one-twelfth of the customer's usage for either an actual or estimated twelve months. The budgeted amount will be subject to review and adjustment by the Company at any time during the customer's budget year. If actual usage indicates the customer's account will not be current with the final payment in the customer's budget year, the customer will be required to pay their Budget Payment Plan account to \$0 prior to the beginning of the customer's next budget year.

If a customer fails to pay bills as agreed under the Budget Payment Plan, the Company reserves the right to remove the customer from the plan, restore the customer to regular billing and require immediate payment of any deficiency. A customer removed from the Budget Payment Plan for non-payment may be prohibited from further participation in the Plan for twelve (12) months.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.

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Michael S. Bear, Vice President
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Bill Format



A Subsidiary of
LGE ENERGY

Louisville Gas and Electric Company
Attention: Accounts Receivable
P.O. Box 32090
Louisville, Kentucky 40232

Public Utility
of Kentucky
1115 South Third Street
Louisville, Kentucky 40203
Phone: (502) 582-1444
8 a.m. - 5 p.m.
8 p.m. - 12 p.m.

Emergency Locations & Hours
1115 South Third Street
Louisville, Kentucky 40203
8 a.m. - 5 p.m.
8 p.m. - 12 p.m.

Your Account Number is:
16 13 408001 9

DOE, JOHN
1236 ANYWHERE ST
LOUISVILLE KY 40213

Next Reading Date:
04/23/92

Table with columns: BILLING TO, FROM, TO, PAYMENTS, PRESENT, METERING, SERVICE LOCATION, CHARGE. Includes account details and current bill total.

ITEMS INCLUDED IN CHARGES

ELECTRIC FUEL COST ADJUSTMENT \$.001550000 PER KWH = \$ 1.23CR
GAS SUPPLY COST COMPONENT \$.2247800 PER CCF = \$ 24.52

PRINTED ON RECYCLED PAPER
PREVIOUS BALANCE INCLUDED IN TOTAL \$.00
AMOUNT TO BE PAID AFTER DUE DATE \$ 94.18

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT
AMOUNT TO BE PAID AFTER DUE DATE \$ 94.18
AMOUNT TO BE PAID BY DUE DATE \$ 89.69

OFFICE USE ONLY:

DOE, JOHN
1236 ANYWHERE ST
LOUISVILLE KY 40213

SERVICE LOCATION: 1234 ANYWHERE ST
16 13 400001900000094180000089690413920

Date of Issue: June 29, 1992

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: June 29, 1992
Reflected: October 16, 2000

TERMS AND CONDITIONS

Bill Format



A Subsidiary of
LGE ENERGY

Customer Services (502) 589-1444
Mon-Fri 8:30 a.m. - 5 p.m.
www.lgeenergy.com

Customer Services (502) 589-1444
Mon-Fri 8:30 a.m. - 5 p.m.
www.lgeenergy.com

Help us serve you better. Review your home phone number on the payment stub. If incorrect, please indicate the correct number.

Table with columns: This Month, Last Month, Year. Includes billing period, average temperature, number of days billed, electrical kWh per day, gas used per day.

ACCOUNT INFORMATION
Account Number: 1234-1234-1234-1 0
Account Name: John D. Customer
Service Address: 789 Any Street
Next Scheduled Reading: 02/09/01

BILLING SUMMARY

Table with columns: Description, Amount. Includes Previous Balance, Payment Received, Gas Charges, Current Utility Charges, Total Amount Due.

ELECTRIC CHARGES

Table with columns: Description, Amount. Includes Rate Type, Meter Reading Information, Electric Fuel Adjustment, Electric Rate, Meter Surcharge, Total Electric Charges.

GAS CHARGES

Table with columns: Description, Amount. Includes Rate Type, Meter Reading Information, Gas Distribution Charge, Gas Supply Cost Component, Total Gas Charges.

Table with columns: Description, Amount. Includes Customer Service, Payment Due Date, Total Amount Due, Office Use Only.



Louisville Gas and Electric Company
P.O. Box 32090
Louisville, Kentucky 40232

Home Phone #: (502) 555-0000
Service Address: 789 Any Street

900015704000170000000055+6000000052810000000000000000

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Michael S. Bear, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Bill Format (Continued)

Understanding Your Bill...

The following definitions may help you better understand some of the terms and abbreviations on the front of your bill.

Credit (Cr) — Your bill is reduced by the amount shown. Credits occur for a variety of reasons, such as an overpayment, a correction, customer deposit and interest refund, and when it appears with the electric fuel cost adjustment.

For a customer on The Equalized Monthly Payment Plan (EMPP), a credit reflects the accumulated difference between the agreed-upon EMPP payment amount and the actual charges for service.

100 Cubic feet (Ccf) — The unit of volume by which LG&E measures the amount of natural gas you use. For example, 100 cubic feet of our gas would fuel an average 100,000 Btu furnace for about one hour of continuous operation.

Estimated (Est) — The amount of gas and/or electricity you used during the billing period is estimated when your meter cannot be read. The estimate is based on your prior month's usage and the weather.

Electric Fuel Cost Adjustment — The charge or credit per kilowatt hour (Kwh) that reflects changes in the cost of fuel that we buy to produce electricity. This is passed along directly to you through the monthly electric charge without any markup by LG&E.

Gas Supply Cost Component — The charge per 100 cubic feet (Ccf) that reflects the cost of natural gas which the Company acquires to sell to you. This is passed along directly to you through the monthly gas charge without any markup by LG&E.

Kilowatt hour (Kwh) — A measure of the amount of electricity you use. For example, the amount of electricity needed to light a 100-watt light bulb for ten hours is one kilowatt hour.

Late Charge — The amount that is added to your bill if you pay it after the due date.

Metering Constant — A few customers have meters designed so that a multiplier, or constant, must be applied to the meter reading difference to determine actual usage.

School Tax — "Rate increase for school tax." The amount added to your bill to pay for school tax in your county; where applicable.

Questions Or Concerns? Please Contact Us!

If you would like a rate schedule, please enclose a note with your payment. We'll be glad to send you one.

If you ever have a question or complaint about your bill or service, we're here to help. We're committed to providing you with quality service, untangling problems, and getting to the bottom of misunderstandings. Please call us at 585-1444 or visit any of our customer service centers.

4917 Dixie Highway
4424 Outer Loop
4121 Shelbyville Road
701 South Ninth Street

TERMS AND CONDITIONS

Bill Format

Account Number: 1234-1234-1 0 Page 2

BILLING INFORMATION

If you would like a rate schedule, please contact us and we will be glad to send you one.

Franchise Fee: A pass-through of fees paid by the Company to municipalities for the right to serve customers located in those municipalities.

IMPORTANT INFORMATION

Let the Automatic Bank Club Program simplify your life. Call Customer Service at 1-502-527-3313 for more information.

If enrolling, also check box on front of stub.

YES, I want to enroll in the Automatic Bank Club.

Please deduct my Automatic Bank Club payment from my Checking Account.
(Voided check must be provided.)

I hereby authorize LG&E to debit my bank account for payment of my monthly energy bill. This authorization will remain in effect until revoked by me or LG&E.

Signature _____ Date _____



Louisville Gas and Electric Company

Original Sheet No. 89
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS Discontinuance of Service

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, the Company shall have the right to refuse or discontinue to serve an applicant or customer under the following conditions:

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce the customer to comply with its rules and then only after the customer has been given at least 10 days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.
- D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. Service will not be supplied or continued to any premises if the applicant or customer is indebted to the Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Unpaid balances of previously rendered Final Bills may be transferred to any account for which the customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred and will be subject to the Company's collection and disconnection procedures. Final Bills may be transferred regardless of whether they are for combination gas and electric or gas only or electric only charges. The Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

Service will not be supplied or continued to any premises if at the time of application for service the applicant is merely acting as an agent of a person or former customer who is indebted to the Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where the applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to the Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.
- H. For non-payment of bills. The Company shall have the right to discontinue service for non-payment of bills after the customer has been given at least ten days written notice

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

Original Sheet No. 89.1
P.S.C. of Ky. Gas No. 6

TERMS AND CONDITIONS
Discontinuance of Service

separate from his original bill. Cut-off may be effected not less than 27 days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than 30 days from the original date of discontinuance. The Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.

I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. Within twenty-four (24) hours after such termination, the Company shall send written notification to the customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. The Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. The Company shall not be required to restore service until the customer has complied with all rules of the Company and regulations of the Commission and the Company has been reimbursed for the estimated amount of the service rendered and the cost to the Company incurred by reason of the fraudulent use.

When service has been discontinued for any of the above reasons, the Company shall not be responsible for any damage that may result therefrom.

Discontinuance or refusal of service shall be in addition to, and not in lieu of, any other rights or remedies available to the Company.

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Date of Issue: December 29, 2003 Issued By Date Effective: February 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE
Gas Main Extension Rules

1. The Company will extend its gas mains at its own expense for a distance of one hundred feet to each bona-fide applicant for year-round gas service who agrees in writing to take service within one year after the extension is completed by connecting a major gas-consuming appliance (i.e., furnace, water heater, yard light, pool heater) and who has a suitable Customer's Service Line installed and ready for connection.
2. The Company will extend its gas mains in excess of the above distance provided the applicant for service advances to the Company an amount equal to the estimated cost of such excess portion of the extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and location of the extension, as well as the timing of its construction.
3. Where funds were advanced in accordance with paragraph 2 for extensions into developed residential neighborhoods and notwithstanding paragraph 1, any customer that subsequently connects to the main during a 10 year period from the effective date of the main extension contract shall advance to the Company a pro rata share of the cost of the extension over 100 feet per connected customer.
4. For each new year-round customer connected to an extension in accordance with paragraph 3, the Company will refund to the previous applicant(s) who advanced funds an amount equal to the difference between the refundable amount advanced and the amount of the advance so determined for the new applicant.
5. The Company will extend its gas mains to serve a proposed real estate subdivision provided the applicant for such extension advances to the Company an amount equal to the estimated cost of the total extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and the location of the extension, as well as the timing of its construction.
6. For each new year-round customer actually connected to the extension within a ten-year period following the effective date of the gas main extension contract, but not to extensions or laterals therefrom, the Company will refund to applicant(s) who advanced funds in accordance with paragraph 5 above an amount equal to 100 times the average unit cost per foot of extension advanced by such applicant(s); provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to the Company.
7. The Company will install at its own expense a service pipe of suitable capacity extending from its gas main to the customer's property line beyond which point all necessary piping shall be installed by and at the expense of the customer and in a manner acceptable to the Company.
8. The Company will install at its own expense the necessary meter together with the regulator required to convert from medium pressure to service pressure. When a high pressure gas line is tapped to serve a customer or group of customers, the Company may charge the customer or customers for the estimated installed cost of the additional high pressure regulator.

Date of Issue: April 5, 1993

Issued By

R. M. Hewitt, Group Executive
Louisville, Kentucky

Date Effective: May 5, 1993
Refiled: October 16, 2000

TERMS AND CONDITIONS
Gas Main Extension Rules

1. The Company will extend its gas mains at its own expense for a distance of one hundred feet to each bona-fide applicant for year-round gas service who agrees in writing to take service within one year after the extension is completed by connecting a major gas-consuming appliance (i.e., furnace, water heater, yard light, pool heater) and who has a suitable Customer's Service Line installed and ready for connection.
2. The Company will extend its gas mains in excess of the above distance provided the applicant for service advances to the Company an amount equal to the estimated cost of such excess portion of the extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and location of the extension, as well as the timing of its construction.
3. Where funds were advanced in accordance with paragraph 2 for extensions into developed residential neighborhoods and notwithstanding paragraph 1, any customer that subsequently connects to the main during a 10 year period from the effective date of the main extension contract shall advance to the Company a pro rata share of the cost of the extension over 100 feet per connected customer.
4. For each new year-round customer connected to an extension in accordance with paragraph 3, the Company will refund to the previous applicant(s) who advanced funds an amount equal to the difference between the refundable amount advanced and the amount of the advance so determined for the new applicant.
5. The Company will extend its gas mains to serve a proposed real estate subdivision provided the applicant for such extension advances to the Company an amount equal to the estimated cost of the total extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and the location of the extension, as well as the timing of its construction.
6. For each new year-round customer actually connected to the extension within a ten-year period following the effective date of the gas main extension contract, but not to extensions or laterals therefrom, the Company will refund to applicant(s) who advanced funds in accordance with paragraph 5 above an amount equal to 100 times the average unit cost per foot of extension advanced by such applicant(s); provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to the Company.
7. The Company will install at its own expense a service pipe of suitable capacity extending from its gas main to the customer's property line beyond which point all necessary piping shall be installed by and at the expense of the customer and in a manner acceptable to the Company.
8. The Company will install at its own expense the necessary meter together with the regulator required to convert from medium pressure to service pressure. When a high pressure gas line is tapped to serve a customer or group of customers, the Company may charge the customer or customers for the estimated installed cost of the additional high pressure regulator.
9. In the event the Company is required to make a further extension of its mains to serve a customer, the Company reserves the right to tap any extension constructed under these rules and to make connections from such additional extensions without application of the refunds referred to in paragraph 4 or 6 above.

Date of Issue: December 28, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 23
P.S.C. of Ky., Gas No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Gas Main Extension Rules (Continued)

9. In the event the Company is required to make a further extension of its mains to serve a customer, Company reserves the right to tap any extension constructed under these rules and to make connections from such additional extensions without application of the refunds referred to in paragraph 4 or 6 above.
10. The title to all extensions herein provided for, together with all necessary rights-of-way, permits and easements, shall be and remain in the Company.
11. The Company shall not be obligated to make service connections or to extend its gas mains in cases where such extensions or connections, in the sole judgment of Company would be infeasible, impractical, or contrary to good operating practice, or where such extensions are not in accordance with the terms of the applicable rate schedule.

Date of Issue: April 5, 1993

Issued By

R. M. Haworth, Group Executive
Louisville, Kentucky

Date Effective: May 5, 1993
Refiled: October 16, 2000

Louisville Gas and Electric Company

Original Sheet No. 90.1
P.S.C. of Ky., Gas No. 6

TERMS AND CONDITIONS
Gas Main Extension Rules

10. The title to all extensions herein provided for, together with all necessary rights-of-way, permits and easements, shall be and remain in the Company.
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Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Gas Service Restrictions

By Order dated September 5, 1973, in Case Nos. 5829 and 5839, the Public Service Commission of Kentucky authorized the Company to incorporate in its gas tariff restrictions on the supply of gas service, occasioned by the inadequacy of gas supplies to meet customer demands. These restrictions have been modified from time to time by tariff filings authorized or approved by the Commission. Uncertainty as to future gas supply makes it necessary that Company continue to exercise control over the addition of gas loads to its system, as set forth in these rules.

1. **GENERAL.** Except as specifically provided in these rules, the Company will not (a) initiate service to any new customer, location, or service point; (b) permit any commercial customer (including any governmental agency or institution) or any industrial customer to increase its connected load or to expand its gas requirements in any manner; or (c) permit any customer to change to another rate schedule for the purpose of obtaining a higher priority under the Company's Tariff.
2. **NEW CUSTOMERS.** Until further notice, Company will accept applications for gas service to new customers as set forth below. Main extensions will be made in accordance with the Gas Main Extension Rules contained in this Tariff.
 - (a) **FOR SERVICE UNDER RATES RGS, CGS and IGS.** Single family dwelling units individually metered. Commercial and industrial customers and multi-family residences served through a single meter. Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgement such is necessary in order to enable it to continue to supply reliable service to existing customers.
 - (b) **FOR SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve new customers with requirements in excess of those allowable under Rates RGS, CGS and IGS when in its judgement actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.
3. Increase in Service to Existing Customers. Until further notice, the Company will, upon application, permit increases in the connected gas load or the gas usage of commercial and industrial customers existing as of the effective date of these rules, as follows:
 - (a) **ADDITIONAL SERVICE UNDER RATES RGS, CGS and IGS.** The Company will permit the addition of connected gas loads under Rates RGS, CGS and IGS. The Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgement such is necessary in order to enable it to continue to supply reliable service to existing customers.

Date of Issue: May 27, 1987

Issued By

R. M. Haworth, Group Executive
Louisville, Kentucky

Date Effective: June 26, 1987
Refiled: October 16, 2000

TERMS AND CONDITIONS
Gas Service Restrictions

By Order dated September 5, 1973, in Case Nos. 5829 and 5839, the Public Service Commission of Kentucky authorized the Company to incorporate in its gas tariff restrictions on the supply of gas service, occasioned by the inadequacy of gas supplies to meet customer demands. These restrictions have been modified from time to time by tariff filings authorized or approved by the Commission. Uncertainty as to future gas supply makes it necessary that Company continue to exercise control over the addition of gas loads to its system, as set forth in these rules.

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 - (b) **FOR SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve new customers with requirements in excess of those allowable under Rates RGS, CGS and IGS when in its judgement actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.
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 - (b) **ADDITIONAL SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve existing customers with additional requirements in excess of those allowable under Rates RGS, CGS and IGS when in its judgement actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.
4. **LOAD ADDITIONS TO BE AGGREGATED.** Limitations on new or additional gas loads as specified herein refer to the aggregate of loads added subsequent to the effective date of these rules, and not to individual increments made from time to time.

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Gas Service Restrictions (Continued)

- (b) **ADDITIONAL SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve existing customers with additional requirements in excess of those allowable under Rates RGS, CGS and ICS when in its judgement actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.
- 4. **LOAD ADDITIONS TO BE AGGREGATED.** Limitations on new or additional gas loads as specified herein refer to the aggregate of loads added subsequent to the effective date of these rules, and not to individual increments made from time to time.
- 5. **VOLUMES OF GAS USAGE.** Daily and monthly volumes of gas usage may be established or increased to reflect additions of connected load or increased usage of connected load existing as of the effective date of these rules. For customers subject to curtailment under Company's Curtailment Rules, Monthly Base Period Volumes will be established or adjusted accordingly.
- 6. **TRANSFERS BETWEEN LOCATIONS.** Company may permit any customer to transfer his own gas entitlement from one location to another; provided, however, that transfers of service cannot be aggregated so as to exceed the limitations on connected load set forth in Paragraphs 2 and 3 above with respect to Rates RGS, CGS, and ICS.
- 7. **PRIORITY CONSIDERATIONS.** If at any time, the Company is required to select among applicants for service as provided for in Paragraphs 2(b) or 3(b) above, it will, to the extent practicable, observe the following priorities in the order named:
 - (a) Schools, hospitals and similar institutions.
 - (b) Other commercial establishments.
 - (c) Industrial process and feedstock uses.
 - (d) Other industrial applications.
- 8. **LAPSE OF APPLICATIONS.** If any applicant for new or increased service under these rules is not ready to take such service within 12 months from the date of application, such application shall be void. Any reapplication shall be subject to the Company's rules in effect at the time thereof.
- 9. Applicants may make application for gas service beyond that provided for in these rules, to be initiated at such time as these rules may be terminated or modified so as to enable the Company to provide the service applied for. Company will file such applications in the order of receipt and dispose of them as circumstances dictate.

Date of Issue: October 12, 1987

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: November 11, 1987
Revised: October 16, 2000

TERMS AND CONDITIONS
Gas Service Restrictions

- 5. **VOLUMES OF GAS USAGE.** Daily and monthly volumes of gas usage may be established or increased to reflect additions of connected load or increased usage of connected load existing as of the effective date of these rules. For customers subject to curtailment under Company's Curtailment Rules, Monthly Base Period Volumes will be established or adjusted accordingly.
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 - (a) Schools, hospitals and similar institutions.
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 - (d) Other industrial applications.
- 8. **LAPSE OF APPLICATIONS.** If any applicant for new or increased service under these rules is not ready to take such service within 12 months from the date of application, such application shall be void. Any reapplication shall be subject to the Company's rules in effect at the time thereof.
- 9. Applicants may make application for gas service beyond that provided for in these rules, to be initiated at such time as these rules may be terminated or modified so as to enable the Company to provide the service applied for. Company will file such applications in the order of receipt and dispose of them as circumstances dictate.

Date of Issue: December 29, 2003

Issued By

Michael S. Bear, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 18
P. S. C. of Ky. Gas No. 5

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules

These rules are established to govern LG&E's available supply of gas to sales and transportation customers during periods of shortage or substantial reduction in the gas availability from LG&E's suppliers. These rules are designed to provide for curtailment or discontinuance of service made necessary by a deficiency in gas supply, capacity or unforeseen emergency circumstances. Implementation of these Rules will enable LG&E to continue to supply reliable gas service for residential and other human welfare purposes. These rules shall apply and continue in effect until lawfully modified or superseded under the regulatory jurisdiction of the Public Service Commission of Kentucky.

1. DEFINITIONS (for Purposes of these Rules).

COMMERCIAL CUSTOMERS: Customers engaged primarily in the sale of goods or services, including institutions and local, state and Federal governmental agencies, for uses other than those involving manufacturing.

INDUSTRIAL CUSTOMERS: Customers engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product. For the sole purpose of the application of these rules, customers served under Rate IGS whose gas service is primarily used in the production or processing of foods or food for human consumption shall be considered commercial customers.

SMALL INDUSTRIAL CUSTOMER: Any industrial customer whose aggregate of twelve Monthly Base Period Volumes is 10,000 Mcf or less.

LARGE INDUSTRIAL CUSTOMER: Any industrial customer whose aggregate of twelve Monthly Base Period Volumes exceeds 10,000 Mcf.

SUMMER SEASON: The seven consecutive monthly customer billing periods of April through October.

WINTER SEASON: The five consecutive monthly customer billing periods of November of one year through March of the following year.

PILOT LIGHT REQUIREMENTS: Gas used on either a continuous or intermittent basis only for the ignition of the fuel in the main burner; does not include any gas used to preheat or atomize solid or liquid fuels.

NON-DOMESTIC USAGE: Usage for boiler fuel and other applications where alternate fuel facilities are installed or capable of being installed.

BASE PERIOD: The 12 months ending with the calendar year prior to the implementation of any curtailments hereunder.

MONTHLY BASE PERIOD VOLUMES: Monthly volumes assigned to each customer determined from its gas consumption during the Base Period, adjusted to normal

Date of Issue: October 16, 2000

Date Effective: September 27, 2000

Issued By

R. M. Hewitt, Group Executive
Louisville, Kentucky

Louisville Gas and Electric Company

Original Sheet No. 92
P. S. C. of Ky. Gas No. 6

TERMS AND CONDITIONS

Curtailment Rules

These rules are established to govern LG&E's available supply of gas to sales and transportation customers during periods of shortage or substantial reduction in the gas availability from LG&E's suppliers. These rules are designed to provide for curtailment or discontinuance of service made necessary by a deficiency in gas supply, capacity or unforeseen emergency circumstances. Implementation of these Rules will enable LG&E to continue to supply reliable gas service for residential and other human welfare purposes. These rules shall apply and continue in effect until lawfully modified or superseded under the regulatory jurisdiction of the Public Service Commission of Kentucky.

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INDUSTRIAL CUSTOMERS: Customers engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product. For the sole purpose of the application of these rules, customers served under Rate IGS whose gas service is primarily used in the production or processing of foods or food for human consumption shall be considered commercial customers.

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NON-DOMESTIC USAGE: Usage for boiler fuel and other applications where alternate fuel facilities are installed or capable of being installed.

BASE PERIOD: The 12 months ending with the calendar year prior to the implementation of any curtailments hereunder.

MONTHLY BASE PERIOD VOLUMES: Monthly volumes assigned to each customer determined from its gas consumption during the Base Period, adjusted to normal temperatures, for force majeure conditions, and to annualize consumption in cases where service was initiated or the connected load increased in keeping with LG&E's rules applicable during the Base Period.

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules (Continued)

temperatures, for force majeure conditions, and to annualize consumption in cases where service was initiated or the connected load increased in keeping with LG&E's rules applicable during the Base Period.

AUTHORIZED MONTHLY VOLUME. The volume of gas authorized to be taken during a month and determined by deducting from the Monthly Base Period Volume the curtailment applicable for the month.

Some Customers may have usage falling within more than one of the above categories; as such, these customers may be required to segregate their total usage accordingly.

2. PRO-RATA CURTAILMENT. In order to meet seasonal and daily sendout requirements, to preserve underground storage deliverability, and to provide for adequate and timely underground storage injections, LG&E will implement pro-rata curtailment with respect to the classes of customers here listed:

- (a) Large Industrial Customers served under Rate IGS and Rider RBS.
- (b) All customers served under Rates G-6 and G-7.

LG&E will assign Monthly Base Period Volumes to each customer in the above classes. Not less than two weeks prior to the beginning of any monthly billing period, except in the case of an emergency, LG&E will notify in writing each customer in the classes named above of the percentage curtailment from such customer's Monthly Base Period Volume to be in effect in said monthly billing period, stating the Authorized Monthly Volume such customer is authorized to take during said monthly billing period.

During each month of the Winter Season curtailment will be first applied to Rate G-6 and G-7 customers until such curtailment reaches 100% of Base Period Volumes (allowing, however, for continuation of Pilot Light Requirements in connection with alternate fuels). When the required curtailment level exceeds 100% as applied to Rate G-6 customers, the additional curtailment required will be apportioned at a uniform percentage to other customers subject to pro-rata curtailment under this Section 2. Provided, however, during any month of the Winter Season when Rate G-6 and G-7 customers are being furnished all or a part of their Base Period Volumes, such service may be completely interrupted when and to the extent that LG&E deems such interruption necessary to preserve storage deliverability or to otherwise meet seasonal or daily sendout requirements.

During each month of the Summer Season the percentage of curtailment shall be uniform for all classes to which it applies.

Provided, however, in the case of Large Industrial Customers served under Rate IGS, Authorized Monthly Volumes shall be established so as to aggregate not less than 10,000 Mcf for a twelve-month period.

Date of Issue: October 16, 2000

Date Effective: September 27, 2000

Issued By

R. M. Hewitt, Group Executive
Louisville, Kentucky

TERMS AND CONDITIONS
Curtailment Rules

AUTHORIZED MONTHLY VOLUME. The volume of gas authorized to be taken during a month and determined by deducting from the Monthly Base Period Volume the curtailment applicable for the month.

Some Customers may have usage falling within more than one of the above categories; as such, these customers may be required to segregate their total usage accordingly.

2. PRO-RATA CURTAILMENT. In order to meet seasonal and daily sendout requirements, to preserve underground storage deliverability, and to provide for adequate and timely underground storage injections, LG&E will implement pro-rata curtailment with respect to the classes of customers here listed:

- (a) Large Industrial Customers served under Rate IGS and Rider RBS.
- (b) All customers served under Rate AAGS.

LG&E will assign Monthly Base Period Volumes to each customer in the above classes. Not less than two weeks prior to the beginning of any billing period, except in the case of an emergency, LG&E will notify in writing each customer in the classes named above of the percentage curtailment from such customer's Monthly Base Period Volume to be in effect in said billing period, stating the Authorized Monthly Volume such customer is authorized to take during said billing period.

During each month of the Winter Season curtailment will be first applied to Rate AAGS customers until such curtailment reaches 100% of Base Period Volumes (allowing, however, for continuation of Pilot Light Requirements in connection with alternate fuels). When the required curtailment level exceeds 100% as applied to Rate AAGS customers, the additional curtailment required will be apportioned at a uniform percentage to other customers subject to pro-rata curtailment under this Section 2. Provided, however, during any month of the Winter Season when Rate AAGS customers are being furnished all or a part of their Base Period Volumes, such service may be completely interrupted when and to the extent that LG&E deems such interruption necessary to preserve storage deliverability or to otherwise meet seasonal or daily sendout requirements.

During each month of the Summer Season the percentage of curtailment shall be uniform for all classes to which it applies.

Provided, however, in the case of Large Industrial Customers served under Rate IGS, Authorized Monthly Volumes shall be established so as to aggregate not less than 10,000 Mcf for a twelve-month period.

3. COMBINATION OF AUTHORIZED MONTHLY VOLUMES. Subject to a written application by a customer and acceptance thereof by LG&E, LG&E will permit any customer served through more than one point of delivery at any location, or any person, corporation or entity served with gas at more than one location, to take gas through the points or at the locations of its choosing, provided that the gas so taken will not exceed the combined Authorized Monthly Volumes applicable to such points of delivery, and provided that only volumes purchased under rate schedules subject to pro-rata curtailment may be so combined. Gas taken through each individual point of delivery will be billed at the rate applicable to such point of delivery.

Date of Issue: December 29, 2003

Date Effective: February 1, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules (Continued)

3. **COMBINATION OF AUTHORIZED MONTHLY VOLUMES.** Subject to a written application by a customer and acceptance thereof by LG&E, LG&E will permit any customer served through more than one point of delivery at any location, or any person, corporation or entity served with gas at more than one location, to take gas through the points or at the locations of its choosing, provided that the gas so taken will not exceed the combined Authorized Monthly Volumes applicable to such points of delivery, and provided that only volumes purchased under rate schedules subject to pro-rata curtailment may be so combined. Gas taken through each individual point of delivery will be billed at the rate applicable to such point of delivery.

If the Application referred to in the above paragraph is denied by LG&E, then the Applicant may apply to the Public Service Commission for a review of LG&E's decision.

The right to effect combinations of Authorized Monthly Volumes as here described is limited to individual customers or individual persons, corporations or entities and such right will not extend to similar combinations between or among unrelated customers. Nor shall such combinations be employed by any customer for the purpose of obtaining a lower overall cost of gas.

For the purpose of assessment of penalties, the point of delivery will be considered on a combined basis, so that the actual combined take will be measured against combined Authorized Monthly Volumes. It will be the responsibility of any applicant for this treatment to advise LG&E in writing as to the party or entity to be held accountable for the payment of such penalty.

4. **PENALTY CHARGES.** Any customer subject to interruption in accordance with Paragraph 2 above who uses any quantity of gas (in excess of Pilot Light Requirements where applicable) during a period of interruption shall be subject to a penalty charge applicable to such unauthorized take at the rate of \$10.00 per Mcf, such penalty to be in addition to the established rate for service.

Any customer subject to curtailment in accordance with Paragraph 3 above who at the end of a Summer Season or a Winter Season has taken gas in excess of 102% of the aggregate of its Authorized Monthly Volumes within such season shall be subject to a penalty charge applicable to such excess take at the rate of \$20.00 per Mcf, such penalty to be in addition to the established rate for service.

The payment of penalty charges for take in excess of authorized volumes shall not be considered as giving any customer the right to take unauthorized volumes of gas, nor shall such penalty charges be considered as a substitute for any other remedy available to LG&E.

5. **EMERGENCY CURTAILMENT.** In the event of an emergency, LG&E will initiate the following actions in order that service may continue to be supplied for residential and other human health, safety and welfare needs.

TERMS AND CONDITIONS

Curtailment Rules

If the Application referred to in the above paragraph is denied by LG&E, then the Applicant may apply to the Public Service Commission for a review of LG&E's decision.

The right to effect combinations of Authorized Monthly Volumes as here described is limited to individual customers or individual persons, corporations or entities and such right will not extend to similar combinations between or among unrelated customers. Nor shall such combinations be employed by any customer for the purpose of obtaining a lower overall cost of gas.

For the purpose of assessment of penalties, the point of delivery will be considered on a combined basis, so that the actual combined take will be measured against combined Authorized Monthly Volumes. It will be the responsibility of any applicant for this treatment to advise LG&E in writing as to the party or entity to be held accountable for the payment of such penalty.

4. **PENALTY CHARGES.** Any customer subject to interruption in accordance with Paragraph 2 above who uses any quantity of gas (in excess of Pilot Light Requirements where applicable) during a period of interruption shall be subject to a penalty charge applicable to such unauthorized take at the rate of \$10.00 per Mcf, such penalty to be in addition to the established rate for service.

Any customer subject to curtailment in accordance with Paragraph 3 above who at the end of a Summer Season or a Winter Season has taken gas in excess of 102% of the aggregate of its Authorized Monthly Volumes within such season shall be subject to a penalty charge applicable to such excess take at the rate of \$20.00 per Mcf, such penalty to be in addition to the established rate for service.

The payment of penalty charges for take in excess of authorized volumes shall not be considered as giving any customer the right to take unauthorized volumes of gas, nor shall such penalty charges be considered as a substitute for any other remedy available to LG&E.

5. **EMERGENCY CURTAILMENT.** In the event of an emergency, LG&E will initiate the following actions in order that service may continue to be supplied for residential and other human health, safety and welfare needs.

(1) Issue Operational Flow Orders to customers served under Rate FT and Rider RBS, and take similar actions applicable to customers served under Special Contracts. Customers that fail to comply with Operational Flow Orders will be required to discontinue the use of natural gas.

(2) Discontinue service to customers served under Rate AAGS.

(3) Implement pro-rata curtailment to Large Industrial Rate IGS and Rider RBS customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.

(4) Once curtailment in level 3 (above) is 0% of Base Period Volumes, implement pro-rata curtailment to the remainder of Industrial and non-human needs commercial use customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules (Continued)

- (1) Issue Operational Flow Orders to customers served under Rate FT and Rider RBS, and take similar actions applicable to customers served under Special Contracts. Customers that fail to comply with Operational Flow Orders will be required to discontinue the use of natural gas.
- (2) Discontinue service to customers served under Rate G-7.
- (3) Discontinue service to customers served under Rate G-6.
- (4) Implement pro-rata curtailment to Large Industrial Rate IGS and Rider RBS customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.
- (5) Once curtailment in level 4 (above) is 0% of Base Period Volumes, implement pro-rata curtailment to the remainder of Industrial and non-human needs commercial use customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.
- (6) Once customers in level 5 (above) have reduced their usage to 0% of Base Period Volumes, request reduction of gas usage by commercial, residential, and human needs customers.
- (7) Implement procedures for interruption of selected electrical distribution circuits on a rotational basis.

6. DISCONTINUANCE OF SERVICE: If any customer subject to interruption or curtailment under these rules fails to limit its use of gas as provided for herein, then LG&E shall have the right, after reasonable notice, to immediately and permanently discontinue all gas supply to such customer.

Date of Issue: October 16, 2000

Issued By

R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: September 27, 2000

TERMS AND CONDITIONS
Curtailment Rules

- (5) Once customers in level 4 (above) have reduced their usage to 0% of Base Period Volumes, request reduction of gas usage by commercial, residential, and human needs customers.
 - (6) Implement procedures for interruption of selected electrical distribution circuits on a rotational basis.
- 6. DISCONTINUANCE OF SERVICE:** If any customer subject to interruption or curtailment under these rules fails to limit its use of gas as provided for herein, then LG&E shall have the right, after reasonable notice, to immediately and permanently discontinue all gas supply to such customer.

Date of Issue: December 29, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

Louisville Gas and Electric Company

Original Sheet No. 2-C
P.S.C. of Ky. Gas No. 5

STANDARD RIDER	HEA Home Energy Assistance
APPLICABLE in all territory served by the Company.	
AVAILABILITY To all residential customers.	
RATE 10¢ per meter per month.	
BILLING The HEA charge shall be shown as a separate item on customer bills.	
SERVICE PERIOD The Home Energy Assistance charge will be applied to all residential gas bills rendered during the billing cycles commencing February 1, 2002 through May 31, 2002, or as otherwise directed by the Public Service Commission. Proceeds from this charge will be used to fund residential low-income demand-side management Home Energy Assistance programs which have been designed through a collaborative advisory process.	

N

Original Sheet No. 2-C is Deleted

Date of Issue: April 22, 2002

Issued By

Date Effective: With Bills Rendered
On and After
February 1, 2002

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 1/25/02 in Case No. 2001-00313

Louisville Gas and Electric Company

Sixteenth Revision of Original Sheet No. 6
P. S. C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE	Seasonal Off-Peak Gas Rate								
<p>APPLICABLE In all territory served.</p>	G-6								
<p>AVAILABILITY Available during the 275-day period from March 15 to December 15 of each year to commercial and industrial customers using over 50,000 cubic feet of gas per day who can be adequately served from the Company's existing distribution system without impairment of service to other customers and who agree to the complete discontinuance of gas service for equipment served hereunder and the substitution of other fuels during the 3-month period from December 15 to March 15. No gas service whatsoever to utilization equipment served hereunder will be supplied or permitted to be taken under any other of the Company's gas rate schedules during such 3-month period. Any gas utilization equipment on customer's premises of such nature or used for such purposes that gas service thereto cannot be completely discontinued during the period from December 15 to March 15 will not be eligible for service under this rate, and gas service thereto must be segregated from service furnished hereunder and supplied through a separate meter at the Company's applicable standard rate for year-around service. This rate shall not be available for loads which are predominantly space heating in character or which do not consume substantial quantities of gas during the summer months.</p>									
<p>RATE</p>	<p>Customer Charge: \$150.00 per delivery point per month</p> <table border="0"> <tr> <td>Charge Per 100 Cubic Feet</td> <td></td> </tr> <tr> <td>Distribution Cost Component</td> <td>6.855¢</td> </tr> <tr> <td>Gas Supply Cost Component</td> <td>72.454¢</td> </tr> <tr> <td>Total Charge Per 100 Cubic Feet</td> <td>79.309¢</td> </tr> </table>	Charge Per 100 Cubic Feet		Distribution Cost Component	6.855¢	Gas Supply Cost Component	72.454¢	Total Charge Per 100 Cubic Feet	79.309¢
Charge Per 100 Cubic Feet									
Distribution Cost Component	6.855¢								
Gas Supply Cost Component	72.454¢								
Total Charge Per 100 Cubic Feet	79.309¢								
<p>The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.</p>									
<p>DSM COST RECOVERY MECHANISM</p>									
<p>The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.</p>									
<p>Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.</p>									

R R

Original Sheet No. 6 is Deleted

Date of Issue: October 31, 2003
Cancelling Fifteenth Revision of
Original Sheet No. 6
Issued July 24, 2003

Issued By: Michael S. Rear, Vice President
Louisville, Kentucky

Date Effective: November 1, 2003

Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00285

Louisville Gas and Electric Company

Original Sheet No. 6-A
P. S. C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE

G-6

Seasonal Off-Peak Gas Rate (Continued)

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

MAXIMUM DAILY CONTRACT DELIVERY

The customer shall contract under this rate schedule for a specified quantity of gas stated in terms of maximum required deliveries per day. On no day will the Company be obligated to supply gas in excess of such contract quantity.

CURTAILMENT PROVISION

During the nine-month period of service availability hereunder, Company shall have the right to discontinue the supply of gas wholly or in part for such period or periods as, in the judgment of the Company, may be necessary or advisable to enable it to supply the full gas requirements of its customers served on a higher priority basis.

TERM OF CONTRACT

Minimum contract term for service under this schedule shall be for the period from March 15 (or date of initial deliveries hereunder, if after March 15) to December 15.

RESERVED RIGHT OF LIMITATION OF ADDITIONAL CONTRACTS

This gas rate schedule is predicated on the continuing availability to the Company of a sufficient quantity of seasonal off-peak gas to provide the service contracted for hereunder. The Company therefore reserves the right to decline acceptance of any additional contracts for service hereunder when, in the judgment of the Company, the volume of service already contracted for equals the gas supply which will be available for this class of service.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewitt, Group Executive

Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

Original Sheet No. 6-A is Deleted

Louisville Gas and Electric Company

Sixteenth Revision of Original Sheet No. 7
 P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE **G-7**
 Rate for Uncommitted Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

This rate schedule is designed to make available to commercial and industrial customers quantities of gas that Company may from time to time have available for sale without impairment of service to customers served under other rate schedules, and which can be supplied from Company's existing distribution system, subject to the special conditions hereinafter set forth.

RATE

Charge Per 100 Cubic Feet	4.300¢
Distribution Cost Component	72.454
Gas Supply Cost Component	<u>76.754¢</u>
Total Charge Per 100 Cubic Feet	

R R

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheets Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

MINIMUM BILL

\$500 per month. Such monthly minimum bill will be applicable only when Company makes gas available during at least 15 days of the monthly billing period.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

Original Sheet No. 7 is Deleted

Date of Issue: October 31, 2003
 Canceled Sixteenth Revision of Original Sheet No. 7
 Issued July 24, 2003

Issued By

Date Effective: November 1, 2003

Michael S. Beer, Vice President
 Louisville, Kentucky
 Issued Pursuant to K.P.S.C. Order dated 10/27/03 in Case No. 2003-00385

Louisville Gas and Electric Company

Original Sheet No. 7-A
P.S.C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE

G-7

Rate for Uncommitted Gas Service (Continued)

SPECIAL CONDITIONS

1. Each customer served hereunder will be required to enter into a written contract specifying, among other things, realistic monthly gas requirements for gas under this rate schedule. Such contracts will be used as the basis for apportionment of gas when the total customer requirements exceed the quantity of gas available for service hereunder.
2. Customer may take service hereunder only when notified by Company that he may do so; and shall discontinue taking service immediately upon notification by Company to do so.
3. Service will be supplied hereunder only at such times and in such volumes as Company, in its sole judgment, determines that gas is available for such service without impairment of service supplied under other rate schedules.
4. The Company will not be obligated to install or construct any facilities (other than necessary meters and regulators) in order to provide service hereunder.
5. This rate will not be available for gas loads which are predominantly space heating in character or which do not consume substantial quantities of gas during the summer months.
6. Service hereunder must be supplied through a separate meter where practicable. In cases where separate metering is not practicable, the volume supplied hereunder in any month will be taken as the excess over the Monthly Base Period Volume established in accordance with Company's Curtailment Rules.

COMPANY NOT OBLIGATED TO CONTINUE SERVICE

Service under this rate schedule shall be supplied only when gas is available after all requirements of other rate schedules have been met. Nothing herein shall prevent Company from expanding its obligations under such other rate schedules. Company may, upon notice, terminate any contract entered into hereunder, and may at any time decline to accept any additional contracts for service hereunder.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff, to the extent that such rules and regulations are not in conflict with nor inconsistent with the specific provisions hereof.

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 9/27/00 in Case No. 2000-080

Original Sheet No. 7-A is Deleted

Louisville Gas and Electric Company

Original Sheet No. 14-L
P.S.C. of Ky. Gas No. 5

T

THIS SHEET IS CANCELLED AND WITHDRAWN

Original Sheet No. 14-L is Deleted

Date of Issue: November 15, 2001

Issued By

Date Effective: October 26, 2001

Michael S. Best, Vice President
Louisville, Kentucky
Issued Pursuant to K.P.S.C. Order dated 10/26/01 in Case No. 2001-017

Louisville Gas and Electric Company

**First Revision of Original Sheet No. 14-M
P. S. C. of Ky., Gas No. 5**

T

THIS SHEET IS CANCELLED AND WITHDRAWN

Original Sheet No. 14-M is Deleted

Date of Issue: November 15, 2001 Issued By Date Effective: October 26, 2001

**Michael S. Beer, Vice President
Louisville Gas and Electric Company
Issued Pursuant to K.P.S.C. Order dated 10/26/01 in Case No. 2001-017**

Louisville Gas and Electric Company

**Original Sheet No. 17
P. S. C. of Ky. Gas No. 5**

THIS SHEET IS UNUSED.

Original Sheet No. 17 is Deleted

Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

**R. M. Hewitt, Group Executive
Louisville, Kentucky**

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules

- 1. COMMISSION RULES AND REGULATIONS**
All gas service supplied by the Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.
- 2. COMPANY RULES AND REGULATIONS**
In addition to the rules and regulations of the Commission, all gas service supplied by the Company shall be in accordance with these "Rules and Regulations Governing the Supply of Gas Service," which shall constitute a part of all applications and contracts for service.
- 3. RATES, RULES AND REGULATIONS ON FILE**
A copy of the rate schedules, rules, and regulations under which gas service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, rules, and regulations, together with the law, rules, and regulations of the Commission, is available for public inspection in the office of the Company.
- 4. APPLICATION FOR SERVICE**
A written application or contract, properly executed, may be required before the Company is obligated to render gas service. The Company shall have the right to reject for valid reasons any such application or contract.
All applications for service shall be made in the legal name of the party desiring the service.
Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using gas service is clearly outside the scope of Company's standard rate schedules, Company may establish special terms and require special contracts giving effect to such unusual circumstances.
- 5. TRANSFER OF APPLICATION**
Applications for gas service are not transferable and new occupants of premises will be required to make application for service before commencing the use of gas. Customers who have been receiving gas service shall notify the Company when discontinuance of service is desired, and shall pay for all gas service furnished until such notice has been given and final meter readings made by the Company.
- 6. DEPOSITS**
The Company may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 278.460, will be paid annually either by refund or credit to the customer's bills, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.
The deposit may be waived upon a customer's showing of satisfactory credit or payment history, and residential deposits will be returned after one (1) year, non-residential after three (3) years, if the customer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The Company may require a

Original Sheet No. 27 is Deleted
See Proposed Original Sheet Nos. 81; 82; 86; 86.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE
General Rules (Continued)

deposit in addition to the initial deposit if the Customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts, and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria will be considered:

1. Previous payment history with the Company. If the customer has no previous history with the Company, statements from other utilities, banks, etc. may be presented by the customer as evidence of good credit.
2. Whether the customer has an established employment for two (2) years or more or line of credit.
3. Length of time the customer has had service with the Company.
4. Whether the customer owns the property.
5. Whether the customer has filed prior bankruptcy proceedings.
6. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit for non-residential accounts only.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

Residential customers with the same type of service will pay equal deposits according to the following schedule:

Appliances In Use	Deposit
Electric Water Heater	\$ 25.00
Electric Lights, Refrigerator, Small Appliances	45.00
Gas, Include Range, Water Heater/or either	20.00
Electric and Gas (1 and 2 above)	65.00
Electric, Gas Heating	120.00
Electric, Gas Electric Water Heating	90.00
Electric, Gas Heating, Electric Water Heating	145.00
Electric Air Conditioning (Window Units)	85.00
Electric Heat, Electric Air Conditioning (Window Units)	150.00
Central Air Conditioning	110.00
Space Heat and Central Air Conditioning	180.00
Electric, Electric Water Heating	70.00
Electric Heating only	120.00
Gas, Heating	75.00
Gas, Heating, Air Conditioning	110.00
Maximum Deposit Required	180.00

Date of Issue: June 29, 1992

Issued By

Date Effective: June 29, 1992
Revised: October 16, 2008

R. M. Hewitt, Group Executive

Original Sheet No. 28 is Deleted
See Proposed Original Sheet Nos. 86; 86.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE
General Rules (Continued)

For industrial or commercial accounts, customer deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

7. MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, the Company will monitor the usage of each customer at least once annually. Should an unusual deviation in the customer's consumption be found which cannot be attributed to a readily identified common cause, the Company will perform a detailed analysis of the customer's monthly meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5). In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

8. COMPANY'S EQUIPMENT AND INSTALLATION

The Company will furnish, install, and maintain at its expense the necessary Service Connection extending from its main to the customer's nearest property line, the location of which Service Connection shall be at the discretion of the Company.

The Company will furnish, install, and maintain at its expense the necessary meter, regulator, and connections appurtenant thereto, which shall be located in accordance with the discretion and judgment of the Company. A suitable site or location for such meter and regulation, together with an adequate protective enclosure for the same, if required, shall be provided by the customer. Title to the meter, regulator, and connections shall remain in the Company, with the right to install, operate, maintain and remove same. The customer shall protect such property of the Company from loss or damage, and no one who is not an agent of the Company shall be permitted to remove, damage or tamper with the same. The customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish the Company with realistic estimates of prospective gas requirements.

Date of Issue: June 29, 1992

Issued By

Date Effective: June 29, 1992
Revised: October 14, 2008

R. M. Hewitt, Group Executive

Original Sheet No. 29 is Deleted
See Proposed Original Sheet Nos. 83; 85.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

9. CUSTOMER'S EQUIPMENT AND INSTALLATION

The customer shall furnish, install, and maintain at his expense the necessary Customer's Service Line extending from Company's Service Connection at the property line to the building or place of utilization of the gas.

All piping, appliances, and other gas equipment and apparatus, except the meter and regulator, located on and within the customer's premises beyond point of connection with the Company's Service Commission at the property line shall be furnished and installed by and at the expense of the customer, and shall be maintained by the customer in good and safe condition. The Company assumes no responsibility whatsoever for the condition of the customer's piping, apparatus or appliances, nor for the maintenance or renewal of any portion thereof.

10. POINT OF DELIVERY OF GAS

The point of delivery of gas supplied by the Company shall be at the point where the gas passes from the pipes of Company's Service Connection into the customer's Service Line, irrespective of the location of the metering and regulating equipment.

11. ACCESS TO PREMISES AND EQUIPMENT

The Company shall have the right of access to the customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of gas service or for the purpose of turning on and shutting off the gas supply when necessary and for all other proper purposes. The customer shall not construct or permit the construction of any structure or device which will restrict the access of the Company to its equipment for any of the above purposes.

12. COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

The Company is merely a supplier of gas service delivered at the customer's property line, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of the customer or of third persons resulting from the presence, use or abuse of gas on the customer's premises or resulting from defects in or accidents to any of customer's piping, equipment, apparatus, or appliances, or resulting from any cause whatsoever other than the negligence of the Company.

13. COMPANY NOT LIABLE FOR INTERRUPTIONS

The Company will exercise reasonable care and diligence in an endeavor to supply gas service continuously and without interruption, except as provided in the terms of certain rate schedules; however, the Company does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of gas service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of the Company.

14. STANDARD PRESSURE AND MEASUREMENT BASE

The standard distribution pressure of the gas supplied by Company is four ounces per square inch above atmospheric pressure.

Atmospheric pressure shall be assumed in all cases to be 14.5 pounds per square inch and temperature shall be assumed to be 60 degrees Fahrenheit; provided, however,

Date of Issue: June 29, 1992

Issued By

Date Effective: June 29, 1992
Revised: October 16, 2008

R. M. Hewett, Group Executive

Original Sheet No. 30 is Deleted

See Proposed Original Sheet Nos. 82; 82.1; 83; 84

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

the Company reserves the right for billing purposes to correct as necessary the actual temperature to a 60 degree Fahrenheit basis in the case of large volume customers.

All gas measured at pressures higher than the standard pressure shall be converted to a pressure base of 14.73 pounds per square inch absolute for billing purposes.

15. CHARACTER OF SERVICE

The gas to be supplied by Company shall be natural gas with a heating value of not less than 1,000 Btu per cubic foot; provided, however, that in the case of a supply emergency, Company reserves the right to supplement its supply of natural gas with a mixture of vaporized liquified petroleum gas and air, in which case the heating value of the gas mixture supplied shall not be less than 1,000 Btu per cubic foot.

16. MANNER IN WHICH SERVICE MAY BE USED

Gas service shall not be used for purposes other than as set forth in customer's application or contract.

17. NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service pipes, meters, and appurtenances supplied by the Company for the rendition of gas service to its customers have a definite capacity. Any customer contemplating a material increase in his load shall give the Company reasonable notice of such fact to enable Company to increase the capacity of its facilities.

18. PERMITS

The customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give the Company or its agents access to the customer's premises and equipment and to enable its service to be connected therewith. In case the customer is not the owner of the premises or of intervening property between the premises and the Company's distribution mains, the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and across such intervening property of the customer's piping and facilities required for the supply of gas service to the customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, the Company shall obtain the aforementioned consent.

The Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under the customer's application until a reasonable time after such permits are granted.

19. RESALE OF GAS

Gas service furnished under the Company's standard application or contract is for the use of the customer only, and no customer shall resell such gas to any other person, firm, or corporation on the customer's premises or for use on any other premises without the written consent of Company. If gas is resold in accordance with such written consent of Company, the gas may be resold only under one of the following two procedures: (1) the monthly bill for natural gas service shall be divided by the total volume delivered to the customer during the month by LG&E and the resulting cost per unit of volume shall be applied to the volume of gas used by each end-user; or (2) such gas shall be resold at rates which are identical to the rates which would be charged by the Company for like and contemporaneous service.

Original Sheet No. 31 is Deleted

See Proposed Original Sheet Nos. 82.2; 84; 85.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

20. METER READINGS AND BILLS

Bills for gas service will be rendered monthly unless otherwise specified. A month as referred to herein and in the Company's rate schedules means the period between two consecutive meter readings, such readings to be taken as nearly as feasible thirty days apart.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the rate blocks and minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's gas meter fails to register properly by reason of damage, accident, etc., the Company shall have the right to estimate the customer's consumption during the period of failure on the basis of such factors as the customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where the Company serves a customer with both electric and gas service at the same service location, the Company will render a combined bill. Provided, however, a residential customer may request, and the Company will render, separate bills under the following conditions: (1) the customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) the customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable in their net amount at the office of the Company during business hours, or at other locations designated by the Company, within 15 days from date of rendition thereof. In the event bill is not paid on or before the final day of this 15 day net payment period, the gross bill including forfeited discount or delayed payment charge shall become due and payable at the office of the Company.

Failure to receive a bill does not exempt a customer from these provisions.

21. READING OF SEPARATE METERS NOT COMBINED

For billing purposes each meter upon the customer's premises will be considered separately and readings of two or more meters will not be combined except where the Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

22. COMPANY'S RIGHT TO REFUSE OR DISCONTINUE SERVICE

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, the Company shall have the right to refuse or discontinue to serve an applicant or customer under the following conditions:

Original Sheet No. 32 is Deleted

See Proposed Original Sheet Nos. 85; 89; 89.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce the customer to comply with its rules and then only after the customer has been given at least 10 days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case, service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.
- D. When applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. For non-payment of bills. The Company shall have the right to discontinue service for non-payment of bills after the customer has been given at least ten days written notice, separate from the original bill. Cut-off may be effected not less than 27 days after the mailing date of the original bill unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than 30 days from the original date of discontinuance. The Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.
- H. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without prior notice. Within twenty-four (24) hours after such termination, the Company shall send written notification to the customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. The Company's right of termination is separate from and in addition to any other legal

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Issued By

Date Effective: November 30, 1992
Revised: October 16, 2009

R. M. Hewett, Group Executive

Original Sheet No. 33 is Deleted

See Proposed Original Sheet Nos. 89, 89.1

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

remedies which the Company may pursue for illegal use or theft of service. The Company shall not be required to restore service until the customer has complied with all rules of the Company and regulations of the Commission and the Company has been reimbursed for the estimated amount of the service rendered and the cost to the Company incurred by reason of the fraudulent use.

23. TEMPORARY AND SHORT TERM SERVICE

The customer shall pay the cost of all material, labor and expense incurred by the Company in supplying gas service for any temporary or short term use, in addition to the regular rates for service without pro-rating of rate blocks or minimum bills for service of less than thirty days in a regular meter reading period.

24. CHARGES FOR DISCONNECTING AND RECONNECTING SERVICE

A charge of \$18.50 will be made to cover disconnection and reconnection of gas service when discontinued for non-payment of bills or for violation of the Company's rules and regulations, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$18.50. No charge will be made under this rule 24 for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Harshship Reconnection.

Customers under Gas Rates RGS, CGS and IGS may request and be granted a temporary suspension of gas service. In the event of such temporary suspension, Company will make a charge of \$18.50 to cover disconnection and reconnection of gas service, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$18.50.

25. CHOICE OF OPTIONAL RATES

When two or more rate schedules are available for the same class of service and the customer is undecided as to which schedule will result in the lowest annual cost, the Company will assist the customer in the choice of the most favorable schedule, the customer then to designate the schedule he desires. In those cases in which the most favorable schedule is difficult to pre-determine, the customer will be given reasonable opportunity to change to another schedule after trial of the schedule originally designated; provided, however, that, after the first such change, the Company may not be required to make a change in schedule more often than once in twelve months.

While the Company will endeavor to assist customers in the choice of the most advantageous schedule, it does not guarantee that customers will at all times be served under the most favorable rate, nor will the Company make refunds representing the difference in charges between the rate under which service has actually been billed and another rate applicable to the same class of service.

26. MISCELLANEOUS CHARGES

With respect to customer's service line and house line inspections prior to initiation or resumption of gas service, the Company will make two such inspections without charge. When more than two trips are necessary to complete the inspections at any one location, a charge of \$5.00 will be made for each additional trip.

Original Sheet No. 34 is Deleted
See Proposed Original Sheet Nos. 49; 82

Louisville Gas and Electric Company

**Original Sheet No. 35
P. S. C. of Ky. Gas No. 5**

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

When a leak is determined to exist in a customer's service line the Company will, when practicable, install a temporary substitute service line upon request of the customer. The charge for the installation and removal of such temporary line will be \$20.00.

27. CHARGE FOR RETURNED CHECKS

When any customer's check tendered in payment of a bill for service is returned by a bank as unpaid, the customer will be charged a fee of \$7.50 to cover the cost of further processing of the account.

Original Sheet No. 35 is Deleted

See Proposed Original Sheet No. 49

Date of Issue: October 14, 2000

Issued By

Date Effective: September 27, 2000

R. M. Herriot, Group Executive
Louisville, Kentucky

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(1)(a)9
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

A statement that customer notice has been given in compliance with subsections (3) and (4) of this section with a copy of the notice.

Response:

See attached Certificate of Notice.

LG&F's Certificate of Notice

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In Re the Matter of:

**AN ADJUSTMENT OF THE GAS
AND ELECTRIC RATES, TERMS
AND CONDITIONS OF LOUISVILLE
GAS AND ELECTRIC COMPANY**

CASE NO: 2003-00433

CERTIFICATE OF NOTICE

Pursuant to the Kentucky Public Service Commission's Rules Governing Tariffs effective August 4, 1984, I hereby certify that I am Michael S. Beer, Vice President Rates and Regulatory, LG&E Energy Services Inc. for Louisville Gas and Electric Company ("LG&E" or "Company"), a utility furnishing retail electric and gas service within the Commonwealth of Kentucky, which, on the 29th day of December, 2003, filed an application with the Kentucky Public Service Commission for the approval of an adjustment of the gas and electric rates, terms, and conditions of LG&E, and that notice to the public of the issuing of the same is being given in all respects as required by 807 KAR 5:001, Section 10(3) and (4) and 807 KAR 5:011, Section 9(2), as follows:

On the 29th day of December, 2003, the same was delivered for exhibition and public inspection at the offices and places of business of the Company in the territory affected thereby, to-wit, at the following places:


Broadway Office Complex, Louisville, Ky.
Bardstown, Ky. Office
Muldraugh, Ky. Compressor Station

and that the same will be kept open to public inspection at said offices and places of business in conformity with the requirements of 807 KAR 5:001, Section 10(4)(f).

That more than twenty (20) customers will be affected by said change by way of an increase in their bills, and that on the 19th day of December, 2003, there was delivered to *The Courier-Journal*, a newspaper of general circulation throughout the areas in the Commonwealth of Kentucky in which customers affected reside, for publication therein once a week for three consecutive weeks beginning the week of December 22, 2003, a notice of the filing of LG&E's application, a copy of said notice being attached hereto. A certificate of publication of said notice will be furnished to the Kentucky Public Service Commission upon completion of same pursuant to 807 KAR 5:001, Section 10(4)(d).

In addition, Louisville Gas and Electric Company will include a general statement explaining the Application in this case with the bills for all Kentucky retail customers during the course of their regular monthly billing cycle in January 2004.

Given under my hand this 20th day of December, 2003.



Michael S. Beer
Vice President, Rates and Regulatory
LG&E Energy Corp.
220 West Main Street
Louisville, Kentucky 40202

NOTICE

Notice is hereby given that Louisville Gas and Electric Company seeks approval by the Public Service Commission, Frankfort, Kentucky of an adjustment of electric and gas rates to become effective on and after February 1, 2004.

LG&E PRESENT AND PROPOSED ELECTRIC RATES

Residential Service Rate R

Current Rate

Customer Charge:	\$3.31 per month
<u>Winter Rate</u> (Applicable during 8 monthly billing periods of October through May)	
First 600 KWH per month	5.526¢ per KWH
Additional KWH per month	4.261¢ per KWH
<u>Summer Rate</u> (Applicable during 4 monthly billing periods of June through September)	
First 600 KWH per month	5.993¢ per KWH
Additional KWH per month	6.159¢ per KWH
Minimum Charge:	The customer charge.

Proposed Rate (to be titled Residential Service Rate RS)

Customer Charge:	\$9.00 per month
<u>Winter Rate</u> (Applicable during 8 monthly billing periods of October through May)	
All KWH	4.953¢ per KWH
<u>Summer Rate</u> (Applicable during 4 monthly billing periods of June through September)	
All KWH	6.327¢ per KWH
Minimum Charge:	No Change

Volunteer Fire Department Service VFD

Current Rate

Customer Charge:	\$3.31 per month
<u>Winter Rate</u> (Applicable during 8 monthly billing periods of October through May)	
First 600 KWH per month	5.526¢ per KWH
Additional KWH per month	4.261¢ per KWH
<u>Summer Rate</u> (Applicable during 4 monthly billing periods of June through September)	
First 600 KWH per month	5.993¢ per KWH
Additional KWH per month	6.159¢ per KWH
Minimum Charge:	The customer charge.

Proposed Rate

Customer Charge: \$9.00 per month
Winter Rate (Applicable during 8 monthly billing periods of October through May)
All KWH 4.953¢ per KWH
Summer Rate (Applicable during 4 monthly billing periods of June through September)
All KWH 6.327¢ per KWH
Minimum Charge: No Change

Residential Prepaid Metering Rate RPM

Current Rate

Prepaid Metering Facilities Charge: \$24.00 per meter per year
Basic Customer Charge: \$39.72 per meter per year
Kilowatt-hour Charge: 5.537¢ per KWH
Minimum Charge: The Basic Customer Charge, Prepaid Metering Facilities Charge, and, where applicable, monthly Budget Payment Plan amounts.

Proposed Rate:

Prepaid Metering Facilities Charge: \$24.00 per meter per year
Basic Customer Charge: \$108.00 per meter per year
Kilowatt-hour Charge: 5.518¢ per KWH
Minimum Charge: No Change

Water Heating Rate WH

Current Rate:

Customer Charge: \$0.94
Kilowatt-hour Charge: 4.029¢ per kilowatt-hour
Minimum Bill: The customer charge.

Proposed Rate: Water Heating Rate WH will be canceled. Customers now served under this rate will be served under Residential Service Rate RS or General Service Rate GS.

General Service Rate GS

Current Rate:

Customer Charge: \$3.92 per meter per month for single phase service
\$7.84 per meter per month for three-phase service

Winter Rate (Applicable during 8 monthly billing periods of October through May)

All kilowatt-hours per month 5.938¢ per KWH

Summer Rate (Applicable during 4 monthly billing periods of June through September)

All kilowatt-hours per month 6.691¢ per KWH

Minimum Charge:

The minimum bill for single-phase service shall be the customer charge.

The minimum bill for three-phase service shall be the customer charge; provided, however, in unusual circumstances where annual kilowatt-hour usage is less than 1,000 times the kilowatts of capacity required, Company may charge a minimum bill of not more than 98¢ per month per kilowatt of connected load.

Proposed Rate:

Customer Charge: \$18.00 per meter per month for single phase service
 \$22.00 per meter per month for three-phase service

Winter Rate (Applicable during 8 monthly billing periods of October through May)

All kilowatt-hours per month 6.063¢ per KWH

Summer Rate (Applicable during 4 monthly billing periods of June through September)

All kilowatt-hours per month 6.816¢ per KWH

Minimum Bill: The customer charge.

Special Rate for Electric Space Heating Service – Rate GS

Current Rate:

Customer Charge: \$2.27

4.263¢ per kilowatt-hour for separately metered space heating consumption during the 8 monthly billing periods of October through May

Minimum Bill: The customer charge.

Proposed Rate: Special Rate for Electric Space Heating Service will be canceled. Customers now served under this rate will be served under General Service Rate GS.

Large Commercial Rate LC

Current Rate

Customer Charge: \$17.24 per month per delivery point per month

Demand Charge: Secondary Primary
Distribution Distribution

Winter Rate (Applicable during 8 Monthly billing periods of October through May)

All kilowatts of billing demand \$7.07 per Kw \$5.49 per Kw
 per month per month

Summer Rate (Applicable during 4 monthly billing periods of June through September)

All kilowatts of billing demand \$10.05 per Kw \$8.22 per Kw
 per month per month

Energy Charge 2.886¢ per KWH

Minimum Bill: The monthly bill shall in no event be less than the customer charge plus the demand charge computed upon the billing demand for the month.

Proposed Rate:

Customer Charge: \$65.00 per month per delivery point per month
Demand Charge:

	Secondary <u>Distribution</u>	Primary <u>Distribution</u>
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Winter Rate (Applicable during 8
Monthly billing periods
of October through May)

All kilowatts of billing demand	\$10.96 per Kw per month	\$9.86 per Kw per month
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Summer Rate (Applicable during 4
monthly billing periods of
June through September)

All kilowatts of billing demand	\$13.69 per Kw per month	\$12.59 per Kw per month
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Energy Charge 2.400¢ per KWH

Minimum Bill: No Change.

Large Commercial Time-of-Day Rate LC-TOD

Current Rate:

Customer Charge: \$19.27 per month per delivery point per month

Demand Charge:

Basic Demand Charge

Secondary Distribution \$3.58 per Kw per month

Primary Distribution \$1.93 per Kw per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period \$6.46 per Kw per month

Winter Peak Period \$3.45 per Kw per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.890¢ per KWH

Minimum Bill: The monthly bill shall in no event be less than the customer charge plus the demand charge computed upon the billing demand for the month.

Proposed Rate:

Customer Charge: \$90.00 per month per delivery point per month

Demand Charge:

Basic Demand Charge

Secondary Distribution \$3.22 per Kw per month

Primary Distribution \$2.12 per Kw per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period \$10.47 per Kw per month

Winter Peak Period \$7.74 per Kw per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.400¢ per KWH

Minimum Bill: No Change

Industrial Power Rate LP

Current Rate:

Customer Charge: \$ 42.64 per delivery point per month

Demand Charge:

Winter Rate:

All kilowatts of billing demand:

Secondary Distribution: \$ 7.90 per Kw per month

Primary Distribution: \$ 6.01 per Kw per month

Transmission: \$ 4.87 per Kw per month

Summer Rate:

All kilowatts of billing demand:

Secondary Distribution: \$10.41 per Kw per month

Primary Distribution: \$ 8.55 per Kw per month

Transmission: \$ 7.39 per Kw per month

Energy Charge: All Kwh per month at 2.480¢ per Kwh

Power Factor Provision: For customers of 150 KW or more, the above demand charge shall be reduced 0.4% for each one percent for power factor above 80% and increased 0.6% for each one percent for power factor below 80%.

Minimum Bill: The customer charge plus the monthly billing demand, which is the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period; but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months; nor less than 25 kilowatts (10 kilowatts to any customer served under this rate schedule on March 1, 1964).

Proposed Rate:

Customer Charge: \$ 90.00 per delivery point per month

Demand Charge:

Winter Rate:

All kilowatts of billing demand:

Secondary Distribution: \$11.73 per Kw per month

Primary Distribution: \$10.63 per Kw per month

Transmission: \$ 9.49 per Kw per month

Summer Rate:

All kilowatts of billing demand:

Secondary Distribution: \$14.27 per Kw per month

Primary Distribution: \$13.17 per Kw per month

Transmission: \$12.01 per Kw per month

Energy Charge: All Kwh per month at 2.000¢ per Kwh

Power Factor Provision: No change

Minimum Bill: No change

Industrial Power Time-of-Day Rate LP-TOD

Current Rate

Customer Charge: \$44.62 per delivery point per month

Demand Charge:

Basic Demand Charge: (Applicable to highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.)

Secondary Distribution \$5.11 per Kw per month

Primary Distribution \$3.20 per Kw per month

Transmission Line \$2.05 per Kw per month

Peak Period Demand Charge: (Applicable to highest average load in kilowatts recorded during any 15-minute interval of the peak period in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.)

Summer Peak Period: \$5.36 per Kw per month

Winter Peak Period: \$2.84 per Kw per month

Energy Charge: 2.480¢ per KWH

Power Factor Provision: Above demand charge reduced .4% for each one percent for power factor above 80% and increased .6% for each one percent for power factor below 80%.

Minimum bill: The customer charge plus the demand charge computed upon the billing demand for the month.

Proposed Rate

Customer Charge: \$120.00 per delivery point per month

Demand Charge:

Basic Demand Charge: (Applicable to highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.)

Secondary Distribution \$4.62 per Kw per month

Primary Distribution \$3.52 per Kw per month

Transmission Line \$2.33 per Kw per month

Peak Period Demand Charge: (Applicable to highest average load in kilowatts recorded during any 15-minute interval of the peak period in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.)

Summer Peak Period: \$9.65 per Kw per month

Winter Peak Period: \$7.11 per Kw per month

Energy Charge: 2.000¢ per Kwh

Power Factor Provision: No change.

Minimum bill: No change.

Non-Conforming Load Service Rate NCLS

Current Rate: This rate is pending before the Public Service Commission.

Proposed Rate: No change is requested for this rate.

Outdoor Lighting Service Rate OL

Current Rate

Type of Unit	Rate Per Month Per Light	
	<u>Pre 1/1/91</u>	<u>Post 12/31/90</u>
<u>Overhead Service</u>		
<u>Mercury Vapor</u>		
100 Watt	\$ 6.60	\$ N/A
175 Watt	7.43	8.76
250 Watt	8.41	9.78
400 Watt	10.17	11.67
1000 Watt	18.44	20.94
<u>High Pressure Sodium Vapor</u>		
100 Watt	7.33	7.33
150 Watt	9.37	9.37
250 Watt	11.03	11.03
400 Watt	11.58	11.58
1000 Watt	N/A	27.43
Additional Pole Charge	1.66	1.66

Underground Service

Mercury Vapor

100 Watt Top Mounted	11.53	12.24
175 Watt Top Mounted	12.24	13.16

High Pressure Sodium Vapor

70 Watt Top Mounted	10.28	10.28
100 Watt Top Mounted	13.57	13.57
150 Watt Top Mounted	N/A	16.45
150 Watt	18.49	18.49
250 Watt	21.16	21.16
400 Watt	23.23	23.23
1000 Watt	N/A	52.24

Decorative Lighting Service

Fixtures

Acorn with Decorative Basket

70 Watt High Pressure Sodium	14.56
100 Watt High Pressure Sodium	15.23

8-Sided Coach

70 Watt High Pressure Sodium	14.73
100 Watt High Pressure Sodium	15.40

Poles

10' Smooth	8.50
10' Fluted	10.15

Bases

Old Town/Manchester	2.73
Chesapeake/Franklin	2.92
Jefferson/Westchester	2.92
Norfolk/Essex	3.11

Proposed Rate

Type of Unit	All Lights Rate Per Month	Per Light
<u>Overhead Service</u>		
<u>Mercury Vapor</u>		
100 Watt	\$	7.38
175 Watt		8.35
250 Watt		9.46
400 Watt		11.53
1000 Watt		22.06
<u>High Pressure Sodium Vapor</u>		
100 Watt		8.19
150 Watt		10.47
250 Watt		12.33
400 Watt		12.95
1000 Watt		30.66
Additional Pole Charge		1.86

Underground Service

Mercury Vapor

100 Watt Top Mounted	12.89
175 Watt Top Mounted	13.97

High Pressure Sodium Vapor

70 Watt Top Mounted	11.49
100 Watt Top Mounted	15.17
150 Watt Top Mounted	18.39
150 Watt	20.67
250 Watt	23.65
400 Watt	25.97
1000 Watt	58.40

Decorative Lighting Service

Fixtures

Acorn with Decorative Basket

70 Watt High Pressure Sodium	16.28
100 Watt High Pressure Sodium	17.03

8-Sided Coach

70 Watt High Pressure Sodium	16.47
100 Watt High Pressure Sodium	17.22

Poles

10' Smooth	9.50
10' Fluted	11.35

Bases

Old Town/Manchester	3.05
Chesapeake/Franklin	3.26
Jefferson/Westchester	3.26
Norfolk/Essex	3.48

Public Street Lighting Service Rate PSL

Current Rate:

Type of Unit	Rate Per Month Per Light	
	Pre 1/1/91	Post 12/31/90
<u>Overhead Service</u>		
<u>Mercury Vapor</u>		
100 Watt	\$ 5.92	\$ N/A
175 Watt	6.90	8.58
250 Watt	7.82	9.60
400 Watt	9.31	11.49
400 Watt (underground pole)	13.54	N/A
1000 Watt	17.18	20.69

High Pressure Sodium Vapor

100 Watt	7.08	7.08
150 Watt	8.46	8.46
250 Watt	10.10	10.10
400 Watt	10.44	10.44
1000 Watt	N/A	23.74

Underground Service

Mercury Vapor

100 Watt - Top Mounted	9.70	11.98
175 Watt - Top Mounted	10.58	12.97
175 Watt	14.39	20.49
250 Watt	15.35	21.51
400 Watt	18.01	23.40
400 Watt on State of Ky. Pole	10.56	N/A

High Pressure Sodium Vapor

70 Watt - Top Mounted	10.28	10.28
100 Watt - Top Mounted	10.66	10.66
150 Watt - Top Mounted	N/A	15.76
150 Watt	18.47	18.47
250 Watt	19.54	19.54
250 Watt on State of Ky. Pole	9.92	N/A
400 Watt	20.86	20.86
1000 Watt	N/A	48.55

Incandescent

1500 Lumen	7.91	
6000 Lumen	10.34	

Decorative Lighting Service

Fixtures

Acorn with Decorative Basket

70 Watt High Pressure Sodium	14.19
100 Watt High Pressure Sodium	14.76

8-Sided Coach

70 Watt High Pressure Sodium	14.38
100 Watt High Pressure Sodium	14.93

Poles

10' Smooth	8.50
10' Fluted	10.15

Bases

Old Town/Manchester	2.73
Chesapeake/Franklin	2.92
Jefferson/Westchester	2.92
Norfolk/Essex	3.11

Proposed Rate:

All Lights
Rate Per Month Per Light

Type of Unit	
<u>Overhead Service</u>	
<u>Mercury Vapor</u>	
100 Watt	\$ 6.62
175 Watt	7.71
250 Watt	8.76
400 Watt	10.41
400 Watt (underground pole)	15.07
1000 Watt	20.63
<u>High Pressure Sodium Vapor</u>	
100 Watt	7.91
150 Watt	9.46
250 Watt	11.29
400 Watt	11.67
1000 Watt	26.54
<u>Underground Service</u>	
<u>Mercury Vapor</u>	
100 Watt - Top Mounted	10.84
175 Watt - Top Mounted	11.92
175 Watt	16.09
250 Watt	17.32
400 Watt	20.13
400 Watt on State of Ky. Pole	20.13
<u>High Pressure Sodium Vapor</u>	
70 Watt - Top Mounted	11.49
100 Watt - Top Mounted	11.92
150 Watt - Top Mounted	17.62
150 Watt	20.65
250 Watt	21.84
250 Watt on State of Ky. Pole	21.84
400 Watt	23.32
1000 Watt	54.27
<u>Incandescent - discontinued</u>	
<u>Decorative Lighting Service</u>	
<u>Fixtures</u>	
<u>Acorn with Decorative Basket</u>	
70 Watt High Pressure Sodium	15.86
100 Watt High Pressure Sodium	16.50
<u>8-Sided Coach</u>	
70 Watt High Pressure Sodium	16.07
100 Watt High Pressure Sodium	16.69
<u>Poles</u>	
10' Smooth	9.50
10' Fluted	11.35

<u>Bases</u>	
Old Town/Manchester	3.05
Chesapeake/Franklin	3.26
Jefferson/Westchester	3.26
Norfolk/Essex	3.48

Lighting Service Rate LS

Current Rate: This rate schedule is not currently available.

Proposed Rate:

Type of Fixture	Lumen Output (Approx.)	Monthly Rate Per Light
<u>Underground Service</u>		
<u>High Pressure Sodium</u>		
4 Sided Colonial	6,300	\$ 15.54
4 Sided Colonial	9,500	16.05
4 Sided Colonial	16,000	17.01
Acorn	6,300	15.88
Acorn	9,500	17.85
Acorn (Bronze Pole)	9,500	18.74
Acorn	16,000	18.80
Acorn (Bronze Pole)	16,000	19.62
Contemporary	16,000	24.18
Contemporary	28,500	26.61
Contemporary	50,000	29.95
Cobra Head	16,000	21.10
Cobra Head	28,500	22.80
Cobra Head	50,000	26.18
* London (10' Smooth Pole)	6,300	27.18
* London (10' Fluted Pole)	6,300	28.89
* London (10' Smooth Pole)	9,500	27.84
* London (10' Fluted Pole)	9,500	29.56
* Victorian (10' Smooth Pole)	6,300	26.34
* Victorian (10' Fluted Pole)	6,300	28.06
* Victorian (10' Smooth Pole)	9,500	26.91
* Victorian (10' Fluted Pole)	9,500	28.62
* Bases Available:		
Old Town / Manchester		2.53
Chesapeake / Franklin		2.53
Jefferson / Westchester		2.53
Norfolk / Essex		2.69

<u>Mercury Vapor</u>		
4 Sided Colonial	4,000	15.60
4 Sided Colonial	8,000	17.05
Cobra Head	8,000	21.09
Cobra Head	13,000	22.43
Cobra Head	25,000	25.26
<u>Overhead Service</u>		
<u>High Pressure Sodium</u>		
Cobra Head	16,000	9.16
Cobra Head	28,500	10.86
Cobra Head	50,000	14.24
Directional Flood	16,000	10.60
Directional Flood	50,000	15.11
Open Bottom	9,500	8.01
<u>Mercury Vapor</u>		
Cobra Head	8,000	9.15
Cobra Head	13,000	10.49
Cobra Head	25,000	13.32
Directional Flood	25,000	14.69
Open Bottom	8,000	8.89
Additional Pole Charge		9.79

Street Lighting Energy Rate SLE

Current Rate: 3.694 ¢ per KWH

Proposed Rate: 4.125 ¢ per KWH

Traffic Lighting Energy Rate TLE

Current Rate:

Customer Charge: \$2.47 per meter per month

Energy Charge: 4.657¢ per kilowatt-hour

Proposed Rate:

Customer Charge: \$2.73 per meter per month

Energy Charge: 5.120¢ per kilowatt-hour

Interruptible Service Rider

Current Rate

Demand Credit: (\$3.30) per KW

Proposed Rate: (to be titled Curtailable Service Rider Rate CSR)

Demand Credit of:

Primary (\$4.05) per KW

Transmission (\$3.98) per KW

Non-Compliance Charge

Primary \$16.00 per KW

Transmission \$16.00 per KW

Standard Rider for Excess Facilities

Current Rate:

Monthly Rates:

Capital Recovery Charge:

Term:	5 Years	8 Years	10 Years	12 Years	15Years	Operating Expenses
	2.66%	1.89%	1.64%	1.48%	1.32%	0.13%

Proposed Rate

Charge for distribution facilities:

Carrying Cost: 0.93%

Operating Expenses: 0.68%

Standard Rider for Supplemental or Standby Service

Current Rate:

Electric service actually used each month will be charged for in accordance with the provisions of the applicable rate schedule; provided, however, that the monthly bill shall in no case be less than an amount calculated at the rate of \$5.61 per kilowatt applied to the Contract demand.

Proposed Rate :

Electric service actually used each month will be charged for in accordance with the provisions of the applicable rate schedule; provided, however, that the monthly bill shall in no case be less than an amount calculated at the rate of \$6.25 per kilowatt applied to the Contract demand.

Standard Rider for Redundant Capacity Charge

Current Rate: This Rider is not currently available.

Proposed Rate:

Capacity Reservation Charge

Secondary Distribution \$1.43 per KW per month

Primary Distribution \$1.06 per KW per month

Experimental Load Reduction Incentive Rider

Current Rate: Up to \$0.30 per KWH

Proposed Rate: No change is proposed for this rate.

Returned Check Charge

Current Rate: \$7.50

Proposed Rate: No Change

Meter Test Charge

Current Rate: None

Proposed Rate: \$31.40

Disconnecting and Reconnecting Service Charge

Current Rate: \$18.50

Proposed Rate: \$23.00

LG&E PRESENT AND PROPOSED GAS RATES

Residential Rate RGS

Current Rate

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component 13.457¢

Gas Supply Cost Component 72.454

Total Charge Per 100 cubic Feet 85.911¢

Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the 7 off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

Minimum Bill: The customer charge.

Proposed Rate (to be titled Residential Gas Service Rate RGS)

Customer Charge: \$10.80 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component 15.352¢

Gas Supply Cost Component 72.454

Total Charge Per 100 cubic Feet 87.806¢

Off-Peak Pricing Provision: No change.

Minimum Bill: The customer charge.

Rider for Summer Air Conditioning Service
Under Gas Service Rate RGS

Current Rate

Charge Per 100 Cubic Feet	
Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	80.911¢

Applicable during the 5 monthly billing periods beginning with meter readings in June and ending in October. All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.

Proposed Rate

Charge Per 100 Cubic Feet	
Distribution Cost Component	10.352¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	82.806¢

Applicable during the 5 monthly billing periods beginning with meter readings in June and ending in October. All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.

Volunteer Fire Department Service VFD

Current Rate

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	85.911¢

Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the 7 off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

Minimum Bill: The customer charge.

Proposed Rate

Customer Charge: \$10.80 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	15.352¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	87.806¢

Off-Peak Pricing Provision: No change.

Minimum Bill: The customer charge.

Firm Commercial Gas Service Rate CGS

Current Rate

Customer Charge if all of the customers's meters have a capacity < 5000 cf/hr:
\$16.50 per delivery point per month

Customer Charge if any of the customer's meters have a capacity ≥ 5000 cf/hr:
\$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	85.911¢

Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the 7 off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

Minimum Bill: The customer charge.

Proposed Rate

Customer Charge: No change

Charge Per 100 Cubic Feet:

Distribution Cost Component	14.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	87.284¢

Off-Peak Pricing Provision: No change

Minimum Bill: The customer charge.

Rider for Summer Air Conditioning Service
Under Gas Service Rate CGS

Current Rate

Charge Per 100 Cubic Feet

Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	80.911¢

Applicable during the 5 monthly billing periods beginning with meter readings in June and ending in October. All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

Proposed Rate

Charge Per 100 Cubic Feet

Distribution Cost Component	9.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	82.284¢

Applicable during the 5 monthly billing periods beginning with meter readings in June and ending in October. All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

Firm Industrial Gas Service Rate IGS

Current Rate

Customer Charge if all of the customers's meters have a capacity < 5000 cf/hr:
\$16.50 per delivery point per month

Customer Charge if any of the customer's meters have a capacity ≥ 5000 cf/hr:
\$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	85.911¢

Off-Peak Pricing Provision: The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the 7 off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

Minimum Bill: The customer charge

Proposed Rate

Customer Charge: No change

Charge Per 100 Cubic Feet:

Distribution Cost Component	14.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	87.284¢

Off-Peak Pricing Provision: No change.

Minimum Bill: The customer charge

Rider for Summer Air Conditioning Service Under Gas Service Rate IGS

Current Rate

Charge Per 100 Cubic Feet

Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	80.911¢

Applicable during the 5 monthly billing periods beginning with meter readings in June and ending in October. All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

Proposed Rate

Charge Per 100 Cubic Feet

Distribution Cost Component	9.830¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	82.284¢

Applicable during the 5 monthly billing periods beginning with meter readings in June and ending in October. All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

Seasonal Off-Peak Gas Rate G-6

Current Rate

Customer Charge: \$150.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	6.855¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	79.309¢

Minimum Bill: The customer charge

Proposed Rate: Rate G-6 will be cancelled. Customers now served under Rate G-6 will have the right to elect service under Rate AAGS, Rate CGS, or Rate IGS.

Uncommitted Gas Service Rate G-7

Current Rate

Charge Per 100 Cubic Feet:

Distribution Cost Component	4.300¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 cubic Feet	76.754¢

Minimum Bill: \$500.00 per month, applicable only when Company makes gas available during at least 15 days of the monthly billing period.

Proposed Rate: Rate G-7 will be canceled. Customers now served under Rate G-7 will have the right to elect service under Rate AAGS, Rate CGS, or Rate IGS.

As-Available Gas Service AAGS

Current Rate: This Rate is currently not available.

Proposed Rate:

Customer Charge: \$150.00 per delivery point per month

Charge Per Mcf

Distribution Cost Component	\$ 0.5053
Gas Supply Cost Component	<u>7.2454</u>
Total Charge Per Mcf	\$ 7.7507

Customer shall be charged a per Mcf penalty charge equal to \$15.00 plus the mid-point price posted in *Gas Daily* for Dominion--South Point on the day to which a notice of interruption of service is applicable, plus any other charges under this rate schedule for such unauthorized usage by Customer that occurs following the conclusion of the eighteen (18) hour notice of interruption by Company to Customer.

Gas Transportation Service/Standby-Rate TS

Current Rates

Administrative Charge: \$ 90.00 per delivery point per month.

	<u>CGS</u>	<u>IGS</u>	<u>G-6</u>
Distribution Charge Per Mcf	\$1.3457	\$1.3457	\$0.6855
Pipeline Supplier's			
Demand Component	<u>1.0966</u>	<u>1.0966</u>	<u>1.0966</u>
Total	\$2.4423	\$2.4423	\$1.7821

Plus: Any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas.

Proposed Rate

Administrative Charge: \$ 90.00 per delivery point per month.

	<u>CGS</u>	<u>IGS</u>	<u>AAGS</u>
Distribution Charge Per Mcf	\$1.4830	\$1.4830	\$0.5053
Pipeline Supplier's			
Demand Component	<u>1.0966</u>	<u>1.0966</u>	<u>1.0966</u>
Total	\$2.5796	\$2.5796	\$1.6019

Plus: Any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas.

Pooling Service Rider to Rate TS, Rate PS-TS

Current Rate:

In addition to any charges billed directly to TS Pool Manager or Customer as a result of the application of Rate TS or this rider, the following charge shall apply:

PS-TS Pool Administration Charge: \$75 per customer in TS Pool per month

Proposed Rate: No change is requested for this Rate.

Firm Transportation Service (Non-Standby) Rate FT

Current Rate:

Administration Charge: \$90.00 per delivery point per month

Distribution Charge Per Mcf \$0.43

Utilization Charges for Daily Imbalances:

Daily Demand Charge	\$0.2607
Daily Storage Charge	<u>0.1200</u>
Utilization Charge Per Mcf	\$0.3807

Proposed Rate:

Administration Charge: No change

Distribution Charge: No change

Utilization Charge for Daily Imbalances: No change

Pooling Service Rider to Rate FT, Rate PS-FT

Current Rate:

In addition to any charges billed directly to FT Pool Manager or Customer as a result of the application of Rate FT or this rider, the following charge shall apply:

PS-FT Pool Administration Charge: \$75 per customer in FT Pool per month

Proposed Rate: No change is requested for this Rate.

Reserve Balancing Service RBS

Current Rate

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 7.9300 per Mcf
Monthly Balancing Charges:	<u>3.6500</u>
Total:	\$11.5800 per Mcf

Proposed Rate: No change is requested for this Rate.

Excess Facilities

Current Rate:

Capital Recovery Charge: monthly rates

Term:	5 Years	8 Years	10 Years	12 Years	15Years	Operating Expenses
	2.65%	1.87%	1.63%	1.47%	1.32%	0.14%

Proposed Rate :

Charge for distribution facilities:

Carrying Cost: 0.94%

Operating Expenses: 0.68%

Returned Check Charge

Current Rate: \$7.50

Proposed Rate: No change

Meter Test Charge

Current Rate: None

Proposed Rate: \$69.00

Disconnecting and Reconnecting Service Charge

Current Rate: \$18.50

Proposed Rate: \$23.00

Inspection Charge

Current Rate: \$5.00

Proposed Rate: \$135.00

Louisville Gas and Electric Company proposes the following new electric tariffs and/or charges: Lighting Rate LS, Rider for Redundant Capacity Charge, Intermittent/Fluctuating Load Rider IFL, School Tax ST, and Meter Test Charge; and the following new gas tariffs and/or charges: As Available Gas Service Rate AAGS, Meter Test Charge, School Tax ST.

In addition, Louisville Gas and Electric Company proposes to change the text of the following electric tariffs: Residential Rate R, Volunteer Fire Department Rate VFD, General Service Rate GS, Residential Pre-Paid Metering RPM, Large Commercial Rate LC, Large Commercial Time of Day Rate LC-TOD, Large Power Industrial Service Rate LP, Large Power Industrial Time of Day Service LP-TOD, Non-Conforming Load Tariff NCL, Outdoor Lighting Rate OL, Public Street Lighting Rate PSL, Street Lighting Energy Rate SLE, Traffic Lighting Energy Rate TLE, Cogeneration and Small Power Production Rate SQF, Cogeneration and Large Power Production Rate LQF, Interruptible Service Rider, Excess Facilities Rider, Kilowatt-Hours Consumed by Lighting Unit KWH, Supplemental/Standby Service Rider, and the Rules and Regulations.

Louisville Gas and Electric Company proposes to change the text of the following gas tariffs: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Gas Transportation Service/Standby Rate TS, Firm Transportation Service (Non-Standby) Rate FT, Volunteer Fire Department Rate VFD, Summer Air Conditioning Service Riders to RGS/CGS/IGS, Pooling Service Rate PS-TS, Excess Facilities EF, Reserve Balancing Service RBS, Demand Side Management Cost Recovery Mechanism DSMRM, Weather Normalization Adjustment WNA, and the Rules and Regulations.

Copies of the proposed tariffs containing text changes may be obtained by contacting Michael S. Beer, Louisville Gas and Electric Company at 220 West Main Street, Louisville, Kentucky, 502-627-3547.

The foregoing rates reflect a proposed annual increase in electric revenues of approximately 11.34% and gas revenues of approximately 5.43% to Louisville Gas and Electric Company.

The estimated amount of the annual increase per electric customer class is as follows: Residential: \$26,430,885, 12.32%; General Service: \$8,978,115, 11.04%; Large Commercial: \$11,596,050, 11.14%; Large Commercial Time of Day: \$2,112,587, 8.57%; Industrial: \$3,714,694, 12.51%; Industrial Time of Day: \$6,385,440, 9.33%; Lighting: \$1,386,184, 12.19%.

The average monthly bill for each customer class to which the proposed electric rates will apply will increase approximately as follows: Residential: \$6.54, 12.3%; General Service: \$18.47, 11.0%; Large Commercial: \$368.25, 11.1%; Large Commercial Time of Day: \$2,905.90, 8.6%; Industrial: \$787.18, 12.5%; Industrial Time of Day: \$8,357.91, 9.3%; Lighting: \$1.42, 12.2%.

The estimated amount of the annual increase per gas customer class is as follows: Residential RGS: \$17,187,887, 7.60%; Commercial CGS: \$1,593,870, 1.54%; Industrial IGS: \$198,751, 1.66%; As Available AAGS: \$6, 0.00%

The average monthly bill for each customer class to which the proposed gas rates will apply will increase approximately as follows: Residential RGS: \$5.00, 7.6%; Commercial CGS: \$5.44, 1.5%; Industrial IGS: \$72.72, 1.7%; As Available AAGS: \$0.02, 0.0%

The rates contained in this notice are the rates proposed by Louisville Gas and Electric Company. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for customers other than the rates contained in this notice.

Notice is further given that any corporation, association, body politic or person with a substantial interest in the matter may request leave to intervene by motion within thirty (30) days after notice of the proposed rate changes is given. The motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, Kentucky 40601, and shall set forth the grounds for the request, including the status and interest of the party. Any person who has been granted intervention may obtain copies of the application and testimony by contacting Michael S. Beer, Vice President – Rates and Regulatory, Louisville Gas and Electric Company, 220 West Main Street, Louisville, Kentucky, 502-627-3547. A copy of the application and testimony shall be available for public inspection at the offices of Louisville Gas and Electric Company or the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky

Louisville Gas and Electric Company
220 West Main Street
P. O. Box 32010
Louisville, Kentucky 40232
502-627-3547

Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40601
502-564-3940

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements

Filing Requirement
807 KAR 5:001 Section 10(2)
Sponsoring Witness: Michael S. Beer

Description of Filing Requirement:

Notice of Intent. Utilities with gross annual revenues greater than \$1,000,000 shall file with the commission a written notice of intent to file a rate application at least four (4) weeks prior to filing their application. The notice of intent shall state whether the rate application shall be supported by a historical test period or a fully forecasted test period. This notice shall be served upon the Attorney General, Utility Intervention and Rate Division.

Response:

See attached.

LG&E's Notice of Intent

Michael S. Beer
Vice President
Rates and Regulatory

LG&E Energy Corp.
220 West Main Street
Louisville, Kentucky 40202
(502) 627-3547
(502) 627-4030 FAX
mike.beer@lgeenergy.com

November 24, 2003

HAND DELIVERY

Mr. Thomas M. Dorman
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RECEIVED

NOV 24 2003

PUBLIC SERVICE
COMMISSION

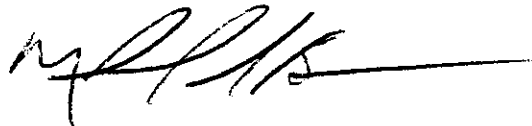
Dear Mr. Dorman:

Please take notice that Louisville Gas and Electric Company ("LG&E") intends to file on or after December 29, 2003, a rate application for a general adjustment in its electric and gas base rates. The application will be supported by a historic test year ending September 30, 2003.

Please assign this matter a case number and style, and advise us of the same so that it can be incorporated into the application and supporting testimony before it is filed with the Commission.

Should you have any questions, please contact me at your first convenience.

Yours very truly,



Michael S. Beer
Vice President, Rates and Regulatory

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements

Filing Requirement
807 KAR 5:001 Section 10(3)
Sponsoring Witness: Michael S. Beer

Description of Filing Requirement:

Form of notice to customers. Every utility filing an application pursuant to this section shall notify all affected customers in the manner prescribed herein. The notice shall include the following information:

(a) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rate change will apply;

(b) The present rates and the proposed rates for each customer class to which the proposed rates would apply;

(c) Electric, gas, water and sewer utilities shall include the effect upon the average bill for each customer class to which the proposed rate change will apply;

(d) Local exchange companies shall include the effect upon the average bill for each customer class for the proposed rate change in basic local service;

(e) A statement that the rates contained in this notice are the rates proposed by (name of utility); however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice;

(f) A statement that any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene; intervention may be granted beyond the thirty (30) day period for good cause shown;

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements

Filing Requirement
807 KAR 5:001 Section 10(3)
Sponsoring Witness: Michael S. Beer

Description of Filing Requirement (continued):

(g) A statement that any person who has been granted intervention by the commission may obtain copies of the rate application and any other filings made by the utility by contacting the utility through a name and address and phone number stated in this notice;

(h) A statement that any person may examine the rate application and any other filings made by the utility at the main office of the utility or at the commission's office indicating the addresses and telephone numbers of both the utility and the commission; and

(i) The commission may grant a utility with annual gross revenues greater than \$1,000,000, upon written request, permission to use an abbreviated form of published notice of the proposed rates provided the notice includes a coupon which may be used to obtain all of the information required herein.

Response:

Please refer to the Certificate of Notice at Tab 9.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(4)(a)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

Manner of notification. Sewer utilities shall give the required typewritten notice by mail to all of their customers pursuant to KRS 278.185.

Response:

Not applicable to LG&E's Application.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(4)(b)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

Manner of notification. Applicants with twenty (20) or fewer customers affected by the proposed general rate adjustment shall mail the required typewritten notice to each customer no later than the date the application is filed with the commission.

Response:

Not applicable to LG&E's Application.

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements

Filing Requirement
807 KAR 5:001 Section 10(4)(c)
Sponsoring Witness: Michael S. Beer

Description of Filing Requirement:

Manner of notification. Except for sewer utilities, applicants with more than twenty (20) customers affected by the proposed general rate adjustment shall give the required notice by one (1) of the following methods:

- 1. A typewritten notice mailed to all customers no later than the date the application is filed with the commission;*
- 2. Publishing the notice in a trade publication or newsletter which is mailed to all customers no later than the date on which the application is filed with the commission; or*
- 3. Publishing the notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made within seven (7) days of the filing of the application with the commission.*

Response:

LG&E has complied with 807 KAR 5:001, Section 10(4)(c) by delivering to newspapers of general circulation in its service area a copy of the notice attached to the Certificate of Notice at Tab 9 for publication once a week for three (3) consecutive weeks in a prominent manner, the first of said publications to be made within seven (7) days of the filing of the application, as set forth in the Certificate of Notice at Tab 9.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(4)(d)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

Manner of notification. If the notice is published, an affidavit from the publisher verifying the notice was published, including the dates of the publication with an attached copy of the published notice, shall be filed with the commission no later than forty-five (45) days of the filed date of the application.

Response:

LG&E will comply with 807 KAR 5:011, Section 10(4)(d) by providing the affidavits within forty-five (45) days of the date on which LG&E filed its application.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(4)(e)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

Manner of notification. If the notice is mailed, a written statement signed by the utility's chief officer in charge of Kentucky operations verifying the notice was mailed shall be filed with the commission no later than thirty (30) days of the filed date of the application.

Response:

Not applicable to LG&E's Application.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(4)(f)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

Manner of notification. All utilities, in addition to the above notification, shall post a sample copy of the required notification at their place of business no later than the date on which the application is filed which shall remain posted until the commission has finally determined the utility's rates.

Response:

LG&E will comply with 807 KAR 5:001, Section 10(4)(f) by posting its Notice, attached to the Certificate of Notice at Tab 9, at its places of business on December 29, 2003, and said Notice will remain posted until the Commission has finally determined the utility's rates, as set forth in the Certificate of Notice at Tab 9.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(4)(g)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

Manner of notification. Compliance with this subsection shall constitute compliance with 807 KAR 5:051, Section 2.

Response:

No response is required.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(5)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

Notice of hearing scheduled by the commission upon application by a utility for a general adjustment in rates shall be advertised by the utility by newspaper publication in the areas that will be affected in compliance with KRS 424.300

Response:

LG&E will comply with 807 KAR 5:001, Section 10(5) by publishing the Notice of Hearing in the newspapers in the areas affected. LG&E's advertisement of the Notice of Hearing shall comply with KRS 424.300.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(a)
Sponsoring Witness: S. Bradford Rives**

Description of Filing Requirement:

A complete description and quantified explanation for all proposed adjustments, with proper support for any proposed changes in price or activity levels, and any other factors which may affect the adjustment.

Response:

Please refer to Volume 4, the testimony of Valerie L. Scott and W. Steven Seelye. Also, please refer to Volume 5 for Mr. Seelye's Exhibits.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(b)
Sponsoring Witness: S. Bradford Rives**

Description of Filing Requirement:

If the utility has gross annual revenues greater than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application.

Response:

Please refer to Volume 4, the testimony of the following persons:

- Victor S. Staffieri
- Paul W. Thompson
- Chris Hermann
- S. Bradford Rives
- Valerie L. Scott
- Earl Robinson
- Robert G. Rosenberg
- Michael S. Beer
- W. Steven Seelye
- J. Clay Murphy
- Sidney L. ("Butch") Cockerill

Also, please refer to Volume 5 for Mr. Seelye's Exhibits, refer to Volume 6 for Mr. Robinson's Appendix C, and refer to Volume 7 for Mr. Robinson's Appendix D and Appendix E.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(c)
Sponsoring Witness: S. Bradford Rives**

Description of Filing Requirement:

If the utility has gross annual revenues less than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application or a statement that the utility does not plan to submit any prepared testimony.

Response:

Not applicable to LG&E's Application.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(d)
Sponsoring Witness: W. Steven Seelye**

Description of Filing Requirement:

A statement estimating the effect that the new rates will have upon the revenues of the utility including, at minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease.

Response:

The proposed rates (excluding miscellaneous charges) will increase LG&E's annual electric revenues approximately \$63,631,993 or 11.34%, and will increase LG&E's annual gas revenues approximately \$18,980,514 or 5.42%.

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements

Filing Requirement
807 KAR 5:001 Section 10(6)(e)
Sponsoring Witness: W. Steven Seelye

Description of Filing Requirement:

If the utility provides electric, gas, water, or sewer service the effect upon the average bill for each customer classification to which the proposed rate change will apply.

Response:

The average monthly bill, for each customer rate class to which the proposed rate change applies, will increase/(decrease) as follows:

	\$	%
<i>Electric:</i>		
Residential:	\$6.54	12.3%
General Service:	\$18.47	11.0%
Large Commercial:	\$368.25	11.1%
Large Commercial Time of Day:	\$2,905.90	8.6%
Industrial:	\$787.18	12.5%
Industrial Time of Day:	\$8,357.91	9.3%
Lighting:	\$1.42	12.2%
 <i>Gas:</i>		
Residential RGS:	\$5.00	7.6%
Commercial CGS:	\$5.44	1.5%
Industrial IGS:	\$72.72	1.7%
As Available AAGS:	\$0.02	0.0%

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(f)
Sponsoring Witness: Michael S. Beer**

Description of Filing Requirement:

If the utility is a local exchange company, the effect upon the average bill for each customer class for the proposed rate change in basic local service.

Response:

Not applicable to LG&E's Application.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(g)
Sponsoring Witness: W. Steven Seelye**

Description of Filing Requirement:

An analysis of customers' bills in such detail that revenues from the present and proposed rates can be readily determined for each customer class.

Response:

Please refer to Volume 4, the testimony of W. Steven Seelye. Also, please refer to Volume 5 for Mr. Seelye's Exhibits.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(h)
Sponsoring Witness: S. Bradford Rives**

Description of Filing Requirement:

A summary of the utility's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.

Response:

See attached.

Louisville Gas and Electric Company
Revenue Requirement as of September 30, 2003

	<u>Electric</u>	<u>Gas</u>	
1 Fuel	196,792,705	-	(1)
2 Power Purchased	75,797,605	-	(2)
3 Purchased Gas	-	624,273	(3)
4 Operations and Maintenance	247,626,326	46,620,286	(4)
5 Depreciation Expense	103,381,769	18,275,280	(5)
6 Taxes Other Than Income Taxes	12,443,476	3,904,899	(6)
7 Return	105,781,937	22,567,921	(7)
8 Income Tax	<u>49,420,146</u>	<u>12,080,724</u>	(8)
9 Total Cost of Service (Revenue Requirement)	791,243,964	104,073,383	
10 Revenues at Present Rates	<u>727,479,761</u>	<u>84,967,114</u>	(9)
11 Revenue Deficiency	<u><u>63,764,203</u></u>	<u><u>19,106,269</u></u>	(10)

- (1) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] electric income statement, line 9
- (2) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] electric income statement, line 10
- (3) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] gas income statement, line 9
- (4) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] electric income statement, line 11 and gas income statement, line 10
- (5) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] electric income statement, line 12 and gas income statement, line 11
- (6) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] electric income statement, line 13 and gas income statement, line 12
- (7) See Rives Exhibit 7, line 1
- (8) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] electric income statement, line 14 (\$23,427,662) and Rives Exhibit 7, line 4 (\$25,992,484) (line 5 - line 3); See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] gas income statement, line 13 (\$4,292,351) and Rives Exhibit 7, line 4 (\$7,788,373) (line 5 - line 3)
- (9) See Filing Requirement pursuant to 807 KAR Section 10(7)(a) [Tab 42] electric and gas income statement, line 6
- (10) See Rives Exhibit 7, line 5

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(i)
Sponsoring Witness: S. Bradford Rives**

Description of Filing Requirement:

A reconciliation of the rate base and capital used to determine its revenue requirement.

Response:

See attached.

LOUISVILLE GAS AND ELECTRIC COMPANY
Reconciliation of Capitalization and Rate Base
Total Company (Electric and Gas)

Line Number		Rate Base	Capitalization	Other	Per Books 9/30/2003
	ASSETS				
1	UTILITY PLANT				
2	Utility Plant	3,752,179,494		-	3,752,179,494
3	Less Accumulated Depreciation	(1,522,825,598)		-	(1,522,825,598)
4	Net Utility Plant	<u>2,229,353,896</u>	-	-	<u>2,229,353,896</u>
5					
6	OTHER PROPERTY AND INVESTMENTS	-		5,610,748	5,610,748
7					
8	CURRENT ASSETS				
9	Cash	58,441,691		(55,041,482)	3,400,209
10	Accounts Receivable-Less Reserve	-		14,415,542	14,415,542
11	Notes Receivable from LG&E-R	-		18,791,941	18,791,941
12	Accounts Receivable from Assoc Companies	-		17,017,143	17,017,143
13	Gas Stored Underground	38,757,261		30,876,767	69,634,028
14	Materials & Operating Supplies	55,876,459		(6,434,984)	49,441,475
15	Allowance Inventory	60,512		1,376	61,888
16	Prepayments	3,207,802		(1,069,108)	2,138,694
17	Miscellaneous Current & Accrued Assets	-		461,046	461,046
18	Total Current Assets	<u>156,343,725</u>	-	<u>19,018,241</u>	<u>175,361,966</u>
19					
20	OTHER ASSETS				
21	Unamortized Debt Expense	-		6,333,944	6,333,944
22	Unamortized Loss on Bonds	-		18,003,964	18,003,964
23	Accumulated Deferred Income Taxes	110,757,116		1,221,767	111,978,883
24	Deferred Regulatory Assets	5,529,694		81,175,407	86,705,101
25	Other Deferred Debits	-		73,873,090	73,873,090
26	Total Other Assets	<u>116,286,810</u>	-	<u>180,608,172</u>	<u>296,894,982</u>
27	TOTAL ASSETS	<u>2,501,984,431</u>	-	<u>205,237,161</u>	<u>2,707,221,592</u>
28					
29	LIABILITIES AND SHAREHOLDERS' EQUITY				
30	CAPITALIZATION				
31	Common Shareholders' Equity		(906,432,535)	-	(906,432,535)
32	Preferred Stock		(70,424,594)	-	(70,424,594)
33	Long-term Debt		(797,769,753)	-	(797,769,753)
34	Accounts Receivable Securitization		(74,800,000)	74,800,000	-
35					
36	CURRENT LIABILITIES				
37	Notes Payable to Associated Companies		(75,132,051)	-	(75,132,051)
38	TOTAL CAPITAL STRUCTURE	-	<u>(1,924,558,933)</u>	<u>74,800,000</u>	<u>(1,849,758,933)</u>
39					
40	Accounts Payable			(60,894,609)	(60,894,609)
41	Accounts Payable to Associated Companies			(23,357,067)	(23,357,067)
42	Taxes Accrued			(12,933,270)	(12,933,270)
43	Customer Deposits			(9,950,348)	(9,950,348)
44	Interest Accrued			(6,087,809)	(6,087,809)
45	Dividends Declared			(442,592)	(442,592)
46	Misc. Current & Accrued Liabilities			(3,764,361)	(3,764,361)
47	Total Current Liabilities	-	-	<u>(117,430,056)</u>	<u>(117,430,056)</u>
48					
49	DEFERRED CREDITS AND OTHER				
50	Accumulated Deferred Income Taxes	(456,138,439)		-	(456,138,439)
51	Investment Tax Credit	(3,943)		(51,376,285)	(51,380,228)
52	Regulatory Liabilities	(44,720,345)		(59,240)	(44,779,585)
53	Customer Advances for Construction	(9,700,500)		-	(9,700,500)
54	Asset Retirement Obligations	-		(9,792,529)	(9,792,529)
55	Other Deferred Credits	-		(34,398,680)	(34,398,680)
56	Misc. Long-Term liabilities	-		(76,551,429)	(76,551,429)
57	Accum. Provision for Post-Retirement Benefits	-		(57,291,213)	(57,291,213)
58	Total Deferred Credits	<u>(510,563,227)</u>	-	<u>(229,469,376)</u>	<u>(740,032,603)</u>
59	TOTAL LIABILITIES	<u>(510,563,227)</u>	<u>(1,924,558,933)</u>	<u>(272,099,432)</u>	<u>(2,707,221,592)</u>
60					
61	CAPITALIZATION TO NET RATE BASE	<u>1,991,421,204</u>	<u>(1,924,558,933)</u>	<u>(66,862,271)</u>	-

Consistent with Filing Requirements provided in LG&E Case No. 2000-080 the reconciliation is prepared on a total company basis.

Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements

Filing Requirement
807 KAR 5:001 Section 10(6)(j)
Sponsoring Witness: Valerie L. Scott

Description of Filing Requirement:

A current chart of accounts if more detailed than the Uniform System of Accounts prescribed by the commission.

Response:

See attached.

Current Chart of Accounts

POWER PRODUCTION EXPENSES

STEAM POWER GENERATION

Operation

- 500. Operation supervision and engineering.
- 501. Fuel.
- 502. Steam expenses.
- 503. Steam from other sources.
- 504. Steam transferred-Cr.
- 505. Electric expenses.
- 506. Miscellaneous steam power expenses.
- 507. Rents.
- 509. Allowances.

Maintenance

- 510. Maintenance supervision and engineering.
- 511. Maintenance of structures.
- 512. Maintenance of boiler plant.
- 513. Maintenance of electric plant.
- 514. Maintenance of miscellaneous steam plant.

HYDRAULIC POWER GENERATION

Operation

- 535. Operation supervision and engineering.
- 536. Water for power.
- 537. Hydraulic expenses.
- 538. Electric expenses.
- 539. Miscellaneous hydraulic power generation expenses.
- 540. Rents.

Maintenance

- 541. Maintenance supervision and engineering.
- 542. Maintenance of structures.
- 543. Maintenance of reservoirs, dams and waterways.
- 544. Maintenance of electric plant.
- 545. Maintenance of miscellaneous hydraulic plant.

OTHER POWER GENERATION

Operation

- 546. Operation supervision and engineering.
- 547. Fuel.
- 548. Generation Expenses.
- 549. Miscellaneous other power generation expenses.
- 550. Rents.

Maintenance

- 551. Maintenance supervision and engineering.
- 552. Maintenance of structures.
- 553. Maintenance of generating and electric equipment.
- 554. Maintenance of miscellaneous other power generation plant.

OTHER POWER SUPPLY EXPENSES

- 555. Purchased power.
- 556. System control and load dispatching.
- 557. Other expenses.
- 558. Duplicate charges - Credit.

ELECTRIC TRANSMISSION EXPENSES

Operation

- 560. Operation supervision and engineering.
- 561. Load dispatching.
- 562. Station expenses.
- 563. Overhead line expenses.
- 564. Underground line expenses.
- 565. Transmission of electricity by others.
- 566. Miscellaneous transmission expenses.
- 567. Rents.

Maintenance

- 568. Maintenance supervision and engineering.
- 569. Maintenance of structures.
- 570. Maintenance of station equipment.
- 571. Maintenance of overhead lines.
- 572. Maintenance of underground lines.
- 573. Maintenance of miscellaneous transmission plant.

ELECTRIC DISTRIBUTION EXPENSES

Operation

- 580. Operation supervision and engineering.
- 581. Load dispatching.
- 582. Station expenses.
- 583. Overhead line expenses.
- 584. Underground line expenses.
- 585. Street lighting and signal system expenses.
- 586. Meter expenses.
- 587. Customer installations expenses.
- 588. Miscellaneous distribution expenses.
- 589. Rents.

Maintenance

- 590. Maintenance supervision and engineering.
- 591. Maintenance of structures.
- 592. Maintenance of station equipment.
- 593. Maintenance of overhead lines.
- 594. Maintenance of underground lines.
- 595. Maintenance of line transformers.
- 596. Maintenance of street lighting and signal systems.
- 597. Maintenance of meters.
- 598. Maintenance of miscellaneous distribution plant.

OTHER GAS SUPPLY EXPENSES

Operation

- 800. Natural gas well head purchases.
- 801. Natural gas field line purchases.
- 802. Natural gas gasoline plant outlet purchases.
- 803. Natural gas transmission line purchases.
- 804. Natural gas city gate purchases.
- 804.1 Liquefied natural gas purchases.
- 805. Other gas purchases.
- 805.1 Purchased gas cost adjustments.
- 805.2 Incremental gas cost adjustments.
- 806. Exchange gas.
- 807. Purchased gas expenses.
- 808.1 Gas withdrawn from storage-Debit.
- 808.2 Gas delivered to storage-Credit.
- 809.1 Withdrawals of liquefied natural gas held for processing-Debit.
- 809.2 Deliveries of natural gas for processing-Credit.
- 810. Gas used for compressor station fuel-Credit.
- 811. Gas used for products extraction-Credit.
- 812. Gas used for other utility operations-Credit.
- 813. Other gas supply expenses.

UNDERGROUND STORAGE EXPENSES

Operation

- 814. Operation supervision and engineering.
- 815. Maps and records.
- 816. Wells expenses.
- 817. Lines expenses.
- 818. Compressor station expenses.
- 819. Compressor station fuel and power.
- 820. Measuring and regulating station expenses.
- 821. Purification expenses.
- 822. Exploration and development.
- 823. Gas losses.
- 824. Other expenses.
- 825. Storage well royalties.
- 826. Rents.

Maintenance

- 830. Maintenance supervision and engineering.
- 831. Maintenance of structures and improvements.
- 832. Maintenance of reservoirs and wells.
- 833. Maintenance of lines.
- 834. Maintenance of compressor station equipment.
- 835. Maintenance of measuring and regulating station equipment.
- 836. Maintenance of purification equipment.
- 837. Maintenance of other equipment.

GAS TRANSMISSION EXPENSES

Operation

- 850. Operation supervision and engineering.
- 851. System control and load dispatching.
- 852. Communication system expenses.
- 853. Compressor station labor and expenses.
- 854. Gas for compressor station fuel.
- 855. Other fuel and power for compressor.
- 856. Mains expenses.
- 857. Measuring and regulating station expenses.
- 858. Transmission and compression of gas by others.
- 859. Other expenses.
- 860. Rents.

Maintenance

- 861. Maintenance supervision and engineering.
- 862. Maintenance of structures and improvements.
- 863. Maintenance of mains.
- 864. Maintenance of compressor station equipment.
- 865. Maintenance of measuring and regulating station equipment.
- 866. Maintenance of communication equipment.
- 867. Maintenance of other equipment.

GAS DISTRIBUTION EXPENSES

Operation

- 870. Operation supervision and engineering.
- 871. Distribution load dispatching.
- 872. Compressor station labor and expenses.
- 873. Compressor station fuel and power.
- 874. Mains and services expenses.
- 875. Measuring and regulating station expenses-General.
- 876. Measuring and regulating station expenses-Industrial.
- 877. Measuring and regulating station expenses-City gate check stations.
- 878. Meter and house regulator expenses.
- 879. Customer installations expenses.
- 880. Other expenses.
- 881. Rents.

Maintenance

- 885. Maintenance supervision and engineering.
- 886. Maintenance of structures and improvements.
- 887. Maintenance of mains.
- 888. Maintenance of compressor station equipment.
- 889. Maintenance of measuring and regulating station equipment-General.
- 890. Maintenance of measuring and regulating station equipment-Industrial.
- 891. Maintenance of measuring and regulating station equipment-City gate check stations.
- 892. Maintenance of services.
- 893. Maintenance of meters and house regulators.
- 894. Maintenance of other equipment.

CUSTOMER ACCOUNTS EXPENSES

Operation

- 901. Supervision.
- 902. Meter reading expenses.
- 903. Customer records and collection expenses.
- 904. Uncollectible accounts.
- 905. Miscellaneous customer accounts expenses.

CUSTOMER SERVICE AND INFORMATIONAL EXPENSES

Operation

- 907. Supervision.
- 908. Customer assistance expenses.
- 909. Informational and instructional advertising expenses.
- 910. Miscellaneous customer service and informational expenses.

SALES EXPENSES

Operation

- 911. Supervision.
- 912. Demonstrating and selling expenses.
- 913. Advertising expenses.
- 916. Miscellaneous sales expenses.

ADMINISTRATIVE AND GENERAL EXPENSES

Operation

- 920. Administrative and general salaries.
- 921. Office supplies and expenses.
- 922. Administrative expenses transferred-Cr.
- 923. Outside services employed.
- 924. Property insurance.
- 925. Injuries and damages.
- 926. Employee pensions and benefits.
- 927. Franchise requirements.
- 928. Regulatory commission expenses.
- 929. Duplicate charges-Cr.
- 930.1 General advertising expenses.
- 930.2 Miscellaneous general expenses.
- 931. Rents.

Maintenance

- 935. Maintenance of general plant.

Suspense Account

- 936. Administrative and General - Suspense Account.

Responsibility Report Overheads

- 990. Operation and Maintenance Overhead.

UTILITY OPERATING INCOME

- 400. Operating revenues.
- 401. Operating expense.
- 402. Maintenance expense.
- 403. Depreciation expense.
- 404.1 Amortization and depletion of producing natural gas land and land rights.
- 404.2 Amortization of underground storage land and land rights.
- 404.3 Amortization of other limited-term gas plant.
- 404.4 Amortization of limited-term electric plant.
- 405. Amortization of other utility plant.
- 406. Amortization of utility plant acquisition adjustments.
- 407.1 Amortization of property losses, unrecovered plant and regulatory study costs.
- 407.2 Amortization of conversion expenses.
- 407.3 Regulatory debts.
- 407.4 Regulatory credits.
- 408.1 Taxes other than income taxes, utility operating income.
- 409.1 Income taxes, utility operating income.
- 410.1 Provision for deferred income taxes, utility operating income.
- 411.1 Provision for deferred income taxes - Credit, utility operating income.
- 411.4 Investment tax credit adjustments, utility operations.
- 411.6 Gains from disposition of utility plant.
- 411.7 Losses from disposition of utility plant.
- 411.8 Gains from disposition of allowances.
- 411.9 Losses from disposition of allowances.
- 412. Revenues from utility plant leased to others.
- 413. Expenses of utility plant leased to others.
- 414. Other utility operating income.

OTHER INCOME AND DEDUCTIONS

OTHER INCOME

- 415. Revenues from merchandising, jobbing and contract work.
- 416. Cost and expenses of merchandising, jobbing and contract work.
- 417. Revenues from nonutility operations.
- 417.1 Expenses of nonutility operations.
- 418. Nonoperating rental income.
- 418.1 Equity in earnings of subsidiary companies.
- 419. Interest and dividend income.
- 419.1 Allowance for other funds used during construction.
- 421. Miscellaneous nonoperating income.

OTHER INCOME DEDUCTIONS

- 421.1 Gain on disposition of property.
- 421.2 Loss on disposition of property.
- 425. Miscellaneous amortization.
- 426.1 Donations.
- 426.2 Life Insurance.
- 426.3 Penalties.
- 426.4 Expenditures for certain civic, political and related activities.
- 426.5 Other deductions.

TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS

- 408.2 Taxes other than income taxes, other income and deductions.
- 409.2 Income taxes, other income and deductions.
- 410.2 Provision for deferred income taxes, other income and deductions.
- 411.2 Provision for deferred income taxes - Credit, other income and deductions.
- 411.5 Investment tax credit adjustments, nonutility operations.
- 420. Investment tax credits.

INTEREST CHARGES

- 427. Interest on long-term debt.
- 428. Amortization of debt discount and expense.
- 428.1 Amortization of loss on reacquired debt.
- 429. Amortization of premium on debt - Credit.
- 429.1 Amortization of gain, on reacquired debt - Credit.
- 430. Interest on debt to associated companies.
- 431. Other interest expense.
- 432. Allowance for borrowed funds used during construction - Credit.

EXTRAORDINARY ITEMS

- 409.3 Income taxes, extraordinary items.
- 434. Extraordinary income.
- 435. Extraordinary deductions.

OPERATING REVENUE CHART OF ACCOUNTS

ELECTRIC

Sales of Electricity

- 440. Residential sales.
- 442. Commercial and industrial sales.
- 444. Public street and highway lighting.
- 445. Other sales to public authorities.
- 446. Sales to railroads and railways.
- 447. Sales for resale.
- 448. Interdepartmental sales.
- 449.1 Provision for rate refunds.

Other Operating Revenues

- 450. Forfeited discounts.
- 451. Miscellaneous service revenues.
- 453. Sales of water and water power.
- 454. Rent from electric property.
- 455. Interdepartmental rents.
- 456. Other electric revenues.

GAS

Sales of Gas

- 480. Residential sales.
- 481. Commercial and industrial sales.
- 482. Other sales to public authorities.
- 483. Sales for resale.
- 484. Interdepartmental sales.

Other Operating Revenues

- 487. Forfeited discounts.
- 488. Miscellaneous service revenues.
- 489. Revenues from transportation of gas of others.
- 490. Sales of products extracted from natural gas.
- 491. Revenues from natural gas processed by others.
- 492. Incidental gasoline and oil sales.
- 493. Rent from gas property.
- 494. Interdepartmental rents.
- 495. Other gas revenues.
- 496. Provision for rate refunds.

BALANCE SHEET CHART OF ACCOUNTS

ASSETS AND OTHER DEBITS

Utility Plant

- 101. Plant in service.
- 101.1 Property under capital leases.
- 102. Plant purchased or sold.
- 103. Experimental utility plant unclassified.
- 104. Plant leased to others.
- 105. Plant held for future use.
- 105.1 Production properties held for future use.
- 106. Completed construction not classified.
- 107. Construction work in progress.
- 108. Accumulated provision for depreciation of utility plant.
- 111. Accumulated provision for amortization and depletion of utility plant.
- 114. Plant acquisition adjustments.
- 115. Accumulated provision for amortization of plant acquisition adjustments.
- 116. Other plant adjustments.
- 117. Gas stored underground - Non-current.
- 118. Other utility plant.
- 119. Accumulated provision for depreciation and amortization of other utility plant.

Other Property and Investments

- 121. Nonutility property.
- 122. Accumulated provision for depreciation and amortization of nonutility property.
- 123. Investment in associated companies.
- 123.1 Investment in subsidiary companies.
- 124. Other investments.
- 125. Sinking funds.
- 126. Depreciation funds.
- 127. Amortization fund-Federal.
- 128. Other special funds.

Current and Accrued Assets

- 131. Cash.
- 132. Interest special deposits.
- 133. Dividend special deposits.
- 134. Other special deposits.
- 135. Working funds.
- 136. Temporary cash investments.
- 141. Notes receivable.

- 142. Customer accounts receivable.
- 143. Other accounts receivable.
- 144. Accumulated provision for uncollectible accounts - Credit.
- 145. Notes receivable from associated companies.
- 146. Accounts receivable from associated companies.
- 151. Fuel stock.
- 152. Fuel stock expenses undistributed.
- 153. Residuals.
- 154. Plant materials and operating supplies.
- 155. Merchandise.
- 156. Other materials and supplies.
- 157. Nuclear fuel assemblies and components - In reactor.
- 158. Nuclear fuel assemblies and components - Stock account.
- 158.1 Allowance inventory.
- 158.2 Allowances withheld.
- 159. Nuclear by product materials.
- 163. Stores expense undistributed.
- 164.1 Gas stored underground - Current.
- 164.2 Liquefied natural gas stored.
- 164.3 Liquefied natural gas held for processing.
- 165. Prepayments.
- 171. Interest and dividends receivable.
- 172. Rents receivable.
- 173. Accrued utility revenues.
- 174. Miscellaneous current and accrued assets.

Deferred Debits

- 181. Unamortized debt expense.
- 182.1 Extraordinary property losses.
- 182.2 Unrecovered plant and regulatory study costs.
- 182.3 Other regulatory assets.
- 183. Preliminary survey and investigation charges.
- 184. Clearing accounts.
- 185. Temporary facilities.
- 186. Miscellaneous deferred debits.
- 187. Deferred losses from disposition of utility plant.
- 188. Research, development and demonstration expenses.
- 189. Unamortized loss on reacquired debt.
- 190. Accumulated deferred income taxes.
- 191. Uncovered Purchased Gas Costs.
- 192.1 Uncovered Incremental Gas Costs.
- 192.2 Uncovered Incremental Surcharges.

LIABILITIES AND OTHER CREDITS

Proprietary Capital

- 201. Common stock issued.
- 202. Common stock subscribed.
- 203. Common stock liability for conversion.
- 204. Preferred stock issued.
- 205. Preferred stock subscribed.
- 206. Preferred stock liability for conversion.
- 207. Premium on capital stock.
- 208. Donations received from stockholders.
- 209. Reduction in par or stated value of capital stock.
- 210. Gain on resale or cancellation of reacquired capital stock.
- 211. Miscellaneous paid-in capital.
- 212. Installments received on capital stock.
- 213. Discount on capital stock.
- 214. Capital stock expense.
- 214.1 Unrealized Gain/Loss from Investments held by Asset Management Group.
- 215. Appropriated retained earnings.
- 215.1 Appropriated retained earnings - amortization reserve, Federal.
- 216. Unappropriated retained earnings.
- 216.1 Unappropriated undistributed subsidiary earnings.
- 217. Reacquired capital stock.

Long-Term Debt

- 221. Bonds.
- 222. Reacquired bonds.
- 223. Advances from associated companies.
- 224. Other long-term debt.
- 225. Unamortized premium on long-term debt.
- 226. Unamortized discount on long-term debt - Debit.

Other Non-Current Liabilities

- 227. Obligations under capital leases - Non-current.
- 228.1 Accumulated provision for property insurance.
- 228.2 Accumulated provision for injuries and damages.
- 228.3 Accumulated provision for pensions and benefits.
- 228.4 Accumulated miscellaneous operating provisions.
- 229. Accumulated provision for rate refunds.
- 230. Pollution Control Bonds series due within one year.

Current and Accrued Liabilities

- 231. Notes payable.
- 232. Accounts payable.
- 233. Notes payable to associated companies.
- 234. Accounts payable to associated companies.
- 235. Customer deposits.
- 236. Taxes accrued.
- 237. Interest accrued.
- 238. Dividends declared.
- 239. Matured long-term debt.
- 240. Matured interest.
- 241. Tax collections payable.
- 242. Miscellaneous current and accrued liabilities.
- 243. Obligations under capital leases - Current.

Deferred Credits

- 252. Customer advances for construction.
- 253. Other deferred credits.
- 254. Other regulatory liabilities.
- 255. Accumulated deferred investment tax credits.
- 256. Deferred gains from disposition of utility plant.
- 257. Unamortized gain on reacquired debt.
- 281. Accumulated deferred income taxes - Accelerated amortization property.
- 282. Accumulated deferred income taxes - Property.
- 283. Accumulated deferred income taxes - Other.

**Louisville Gas and Electric Company
Case No. 2003-00433
Historical Test Period Filing Requirements**

**Filing Requirement
807 KAR 5:001 Section 10(6)(k)
Sponsoring Witness: S. Bradford Rives**

Description of Filing Requirement:

The independent auditor's annual opinion report, with any written communication from the independent auditor to the utility which indicates the existence of a material weakness in the utility's internal controls.

Response:

See attached.

Independent Auditor's Annual Opinion Report

Louisville Gas and Electric Company and Subsidiary
REPORT OF INDEPENDENT ACCOUNTANTS

To the Shareholders of Louisville Gas and Electric Company and Subsidiary:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of capitalization, income, retained earnings, cash flows and comprehensive income present fairly, in all material respects, the financial position of Louisville Gas and Electric Company and Subsidiary (the "Company"), a wholly-owned subsidiary of LG&E Energy Corp., at December 31, 2002 and 2001, and the results of their operations and their cash flows for each of the two years in the period ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
January 21, 2003
Louisville, Kentucky

Louisville Gas and Electric Company
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Shareholders of Louisville Gas and Electric Company:

We have audited the accompanying balance sheet and statement of capitalization of Louisville Gas and Electric Company (a Kentucky corporation and a wholly-owned subsidiary of LG&E Energy Corp.) as of December 31, 2000, and the related statements of income, retained earnings, cash flows and comprehensive income for each of the two years in the period ended December 31, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisville Gas and Electric Company as of December 31, 2000, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule listed under Item 14(a)2 is presented for purposes of complying with the Securities and Exchange Commission's rules and is not part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

Louisville, Kentucky
January 26, 2001

Arthur Andersen LLP

THIS IS A COPY OF A PREVIOUSLY ISSUED REPORT OF ARTHUR ANDERSEN LLP ("ANDERSEN") RELATING TO A PRIOR PERIOD FOR WHICH ANDERSEN WAS ENGAGED AS INDEPENDENT PUBLIC ACCOUNTANTS. THE REPORT HAS NOT BEEN REISSUED BY ANDERSEN.