



Louisville Gas and Electric Company
220 West Main Street (40202)
P.O. Box 32010
Louisville, Kentucky 40232

2005-454

November 9, 2005

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

RECEIVED

NOV 09 2005

PUBLIC SERVICE
COMMISSION

Re: Gas Supply Clause Case No. 2005-00XXX

Dear Ms. O'Donnell:

We file herewith an original and ten copies of the enclosed Motion for Leave to make an interim purchase gas adjustment filing, which includes the Seventh Revision of Original Sheet No. 70 of LG&E Tariff PSC of Kentucky Gas No. 6 setting forth a Gas Supply Cost Component of 131.984 cents per 100 cubic feet applicable to all gas sold during the period of December 1, 2005 through January 31, 2006, and other supporting data.

We respectfully request your acceptance of this filing and request that you bring it to the attention of the Commission for approval.

Respectfully,

Robert M. Conroy
Manager, Rates

Enclosures

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NOV 09 2005

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF LOUISVILLE)
GAS AND ELECTRIC COMPANY)

CASE NO. 2005-2005-454

* * * * *

MOTION FOR LEAVE TO MAKE AN INTERIM
PURCHASED GAS ADJUSTMENT

Louisville Gas and Electric Company ("LG&E") respectfully moves the Commission for leave to make an interim purchased gas adjustment effective December 1, 2005. Under the terms of LG&E's Gas Supply Clause ("GSC"), LG&E is required to make purchased gas adjustments covering three-month periods upon thirty days' notice. LG&E's last purchased gas adjustment was approved by order dated October 24, 2005, in Case No. 2005-00401 to be effective November 1, 2005. Since the date of the that filing, the natural gas markets have changed such that LG&E's Gas Supply Cost Component, when revised to reflect lower expected gas costs, has declined from 154.139 cents per 100 cubic feet to 131.984 cents per 100 cubic feet.

LG&E would like to reflect this market change in its gas rates through an interim adjustment so that its gas customers will receive the benefit of the reduced rates as quickly as possible. Immediately preceding LG&E's last GSC filing on September 29, 2005, expected market prices (as reflected on the New York Mercantile Exchange ("NYMEX")) were almost \$15/MMBtu. Currently, expected market prices are approximately \$12/MMBtu. Given the magnitude of the reduction in these expected market prices, an interim purchased gas adjustment will allow LG&E's natural gas sales

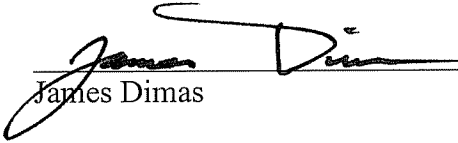
customers to benefit immediately from lower expected prices. Absent this interim adjustment, the refunding of potentially over-collected amounts would not commence until the 12 months beginning May 1, 2006. LG&E, therefore, requests the Commission to approve an interim purchased gas adjustment to be effective December 1, 2005.

Pursuant to the provisions of LG&E's Gas Supply Clause as authorized by the Commission, there is filed herewith an original and four copies of the Seventh Revision of Original Sheet No. 70 of LG&E Tariff PSC of Kentucky Gas No. 6 setting forth a Gas Supply Cost Component of 131.984 cents per 100 cubic feet applicable to all gas sold beginning December 1, 2005. In addition, there is filed herewith a corresponding number of copies of "Supporting Calculations for the Gas Supply Clause." There is also submitted herewith a summary of LG&E's gas service rates effective December 1, 2005.

This filing represents expected gas costs effective December 1, 2005. The Gas Cost Actual Adjustment ("GCAA") and the Gas Cost Balance Adjustment ("GCBA") levels are unchanged from the levels that were implemented on November 1, 2005. These adjustment factors will remain in effect beginning December 1, 2005.

WHEREFORE, LG&E respectfully requests the Commission to grant its motion for leave to make an interim purchased gas adjustment and its acceptance of this filing as its GSC filing.

Respectfully submitted,


James Dimas

Senior Corporate Attorney

Elizabeth L. Cocanougher
Senior Regulatory Counsel
Louisville Gas and Electric Company
220 West Main Street
Post Office Box 32010
Louisville, Kentucky 40232
Telephone: (502) 627-4850

Counsel for Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing pleading was served on the following persons on the 9~~th~~ day of November 2005, U.S. mail, postage prepaid:

Elizabeth E. Blackford
Assistant Attorney General
Office of the Attorney General
Office of Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601


Counsel for Louisville Gas and Electric
Company

Louisville Gas and Electric Company

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

STANDARD RATE SCHEDULE	GSC	
Gas Supply Clause		
APPLICABLE TO		
All gas sold.		
 GAS SUPPLY COST COMPONENT (GSCC)		
Gas Supply Cost	131.638¢	R
Gas Cost Actual Adjustment (GCAA)	(0.158)	
Gas Cost Balance Adjustment (GCBA)	(0.114)	
 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>0.618</u>	
 Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	 131.984¢	 R

Date of Issue: November 9, 2005
Canceling Sixth Revision of
Original Sheet No. 70
Issued October 28, 2005

Issued By

Date Effective: December 1, 2005

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

Issued By Authority of an Order of the KPSC in Case No. 2005-00XXX dated _____

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2005-00XXX

For the Period

December 1, 2005 through January 31, 2006

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After December 1, 2005

2005-00XXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	173,095,193
Total Expected Customer Deliveries: December 1, 2005 through January 31, 2006	Mcf	13,149,290
Gas Supply Cost Per Mcf	\$/Mcf	13.1638
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	131.638

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

Description	Unit	Amount
Current Quarter Actual Adjustment	Eff. Nov 1, 2005 from 2005-00143	¢/Ccf (0.609)
Previous Quarter Actual Adjustment	Eff. Aug 1, 2005 from 2004-00526	¢/Ccf (0.182)
2nd Previous Qrt. Actual Adjustment	Eff. May 1, 2005 from 2004-00390	¢/Ccf 2.050
3rd Previous Qrt. Actual Adjustment	Eff. Feb 1, 2005 from 2004-00271	¢/Ccf (1.417)
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(0.158)

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

Description	Unit	Amount
Balance Adjustment Amount	\$	196,778
Total Expected Customer Deliveries: November 1, 2005 - January 31, 2006	Mcf	17,224,631
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	(0.0114)
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	(0.114)

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	0.000

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

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.618
Total of PBRRC Factors Per 100 Cubic Feet	¢/Ccf	0.618

Gas Supply Cost Component (GSCC) Effective December 1, 2005 - January 31, 2006

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	131.638
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(0.158)
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	(0.114)
Refund Factors (RF)	¢/Ccf	0.000
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.618
Total Gas Supply Cost Component (GSCC)	¢/Ccf	131.984

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Two-Month Period From December 1, 2005 through January 31, 2006

<u>MMBtu</u>	December	January	Total Dec 05-Jan 06
1. Expected Gas Supply Transported Under Texas' No-Notice Service	1,563,761	932,752	2,496,513
2. Expected Gas Supply Transported Under Texas' Rate FT	1,116,000	1,116,000	2,232,000
3. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	1,240,000	1,240,000	2,480,000
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	341,000	341,000	682,000
5. Total MMBtu Purchased	4,260,761	3,629,752	7,890,513
6. Plus: Withdrawals from Texas Gas' NNS Storage Service	1,083,295	797,351	1,880,646
7. Less: Injections into Texas Gas' NNS Storage Service	0	0	0
8. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	5,344,056	4,427,103	9,771,159
<u>Mcf</u>			
9. Total Purchases in Mcf	4,156,840	3,541,221	
10. Plus: Withdrawals from Texas Gas' NNS Storage Service	1,056,873	777,903	
11. Less: Injections Texas Gas' NNS Storage Service	0	0	
12. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	5,213,713	4,319,124	
13. Plus: Customer Transportation Volumes under Rate TS	29,728	32,828	
14. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 12 + Line 13)	5,243,441	4,351,952	
15. Less: Purchases for Depts. Other Than Gas Dept.	46,004	40,475	
16. Less: Purchases Injected into LG&E's Underground Storage	0	0	
17. Mcf Purchases Expensed during Month (Line 12 - Line 15 - Line 16)	5,167,709	4,278,649	9,446,358
18. LG&E's Storage Inventory - Beginning of Month	13,745,001	12,470,001	
19. Plus: Storage Injections into LG&E's Underground Storage (Line 16)	0	0	
20. LG&E's Storage Inventory - Including Injections	13,745,001	12,470,001	
21. Less: Storage Withdrawals from LG&E's Underground Storage	1,232,309	3,082,482	4,314,791
22. Less: Storage Losses	42,691	37,518	80,209
23. LG&E's Storage Inventory - End of Month	12,470,001	9,350,001	
24. Mcf of Gas Supply Expensed during Month (Line 17 + Line 21 + Line 22)	6,442,709	7,398,649	13,841,358
<u>Cost</u>			
25. Total Demand Cost - Including Transportation (Line 14 x Line 46)	\$4,722,243	\$3,919,368	
26. Less: Demand Cost Recovered thru Rate TS (Line 13 x Line 46)	26,773	29,565	
27. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$4,695,470	\$3,889,803	
28. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 47)	18,915,409	12,008,436	
29. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 48)	13,319,906	14,177,776	
30. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 3 x Line 49)	14,560,700	15,541,292	
31. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 4 x Line 50)	4,152,698	4,419,872	
32. Total Purchased Gas Cost	\$55,644,183	\$50,037,179	\$105,681,362
33. Plus: Withdrawals from NNS Storage (Line 6 x Line 47)	13,103,645	10,265,256	23,368,901
34. Less: Purchases Injected into NNS Storage (Line 7 x Line 47)	0	0	0
35. Total Cost of Gas Delivered to LG&E	\$68,747,828	\$60,302,435	\$129,050,263
36. Less: Purchases for Depts. Other Than Gas Dept. (Line 15 x Line 51)	606,609	565,100	1,171,709
37. Less: Purchases Injected into LG&E's Storage (Line 16 x Line 51)	0	0	0
38. Pipeline Deliveries Expensed During Month	\$68,141,219	\$59,737,335	\$127,878,554
39. LG&E's Storage Inventory - Beginning of Month	\$141,411,838	\$128,294,383	
40. Plus: LG&E Storage Injections (Line 37 above)	0	0	
41. LG&E's Storage Inventory - Including Injections	\$141,411,838	\$128,294,383	
42. Less: LG&E Storage Withdrawals (Line 21 x Line 52)	12,678,241	31,713,191	\$44,391,432
43. Less: LG&E Storage Losses (Line 22 x Line 52)	439,214	385,993	825,207
44. LG&E's Storage Inventory - End of Month	\$128,294,383	\$96,195,199	
45. Gas Supply Expenses (Line 38 + Line 42 + Line 43)	\$81,258,674	\$91,836,519	\$173,095,193
<u>Unit Cost</u>			
46. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.9006	\$0.9006	
47. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$12.0961	\$12.8742	
48. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$11.9354	\$12.7041	
49. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$11.7425	\$12.5333	
50. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$12.1780	\$12.9615	
51. Average Cost of Deliveries (Line 35 / Line 12)	\$13.1860	\$13.9617	
52. Average Cost of Inventory - Including Injections (Line 41 / Line 20)	\$10.2882	\$10.2882	
<u>Gas Supply Cost</u>			
53. Total Expected Mcf Deliveries (Sales) to Customers (December 1, 2005 through January 31, 2006)			13,149,290 Mcf
54. Current Gas Supply Cost (Line 45 / Line 53)			\$13.1638 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
The Three-Month Period From November 1, 2005 through January 31, 2006

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$13.2049	x	119,913	MMBtu) x 12	\$19,001,270
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$6.9954	x	36,000	MMBtu) x 12	3,022,013
Tenn. Gas Firm Transportation (Rate FT-A, 0-2) Monthly Demand Charge	(	\$6.4640	x	40,000	MMBtu) x 12	3,102,720
Tenn. Gas Firm Transportation (Rate FT-A, 1-2) Monthly Demand Charge	(	\$6.4640	x	11,000	MMBtu) x 12	853,248
Long-Term Firm Contracts with Suppliers (Annualized)						9,064,739

ANNUAL DEMAND COSTS

\$35,043,990

Expected Annual Deliveries from Pipeline Transporters 39,884,210
(Including Transportation Under Rate TS) - MMBtu

Expected Annual Deliveries from Pipeline Transporters 38,911,424
(Including Transportation Under Rate TS) - Mcf

AVERAGE DEMAND COST PER MCF

0.9006

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
The 3-Month Period from November 1, 2005 through January 31, 2006

Pipeline Supplier's Demand Component per Mcf	\$0.9006
Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	0.0000
Performance Based Rate Recovery Component (see Exhibit E)	<u>0.0076</u>
Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation	<u><u>0.9082</u></u>

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

Design Day Requirements (in Mcf) 442,031

Reserved Balancing Service Charge (per Mcf Reserved):

Annual Charge -> (Annual Demand Costs / Design Day Requirements)	\$79.28
Monthly Charge -> (Annual Charge / 12 Months)	<u><u>\$6.61</u></u>

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

(Annual Reserved Balancing Charge / 365 Days) - 100% Load Factor Rate	<u><u>\$0.2172</u></u>
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LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2005-00XXX

Gas Supply Cost Effective December 1, 2005

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

Texas Gas Transmission LLC

On April 29, 2005, TGT filed a general rate case at the Federal Energy Regulatory Commission ("FERC") as it was required to do pursuant to the FERC-approved Settlement in Docket No. RP00-260. The rates filed by TGT set forth an effective date of June 1, 2005. By Order dated May 31, 2005, FERC suspended until November 1, 2005, the rates proposed by TGT in Docket No. RP05-317. Subsequently, on August 30, 2005, TGT filed tariff sheets at the FERC in Docket No. RP05-585 to reflect a new ACA Unit Charge as determined by FERC and recoverable by TGT pursuant to the General Terms and Conditions of its FERC Gas Tariff. TGT placed into effect the new ACA funding unit of \$0.0018/MMBtu effective October 1, 2005. The motion rates and associated tariff sheets associated with the implementation of TGT's rate case are not available at the time of this filing. Consequently, this filing is based upon the rates in the June 1 tariff sheets as adjusted for the ACA filing effective October 1.

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

Attached hereto as Exhibit A-1 (a), Pages 1 and 2, are the tariff sheets for No-Notice Service under Rate NNS-4 applicable during the period of November 1, 2005 through January 31, 2006. Page 1 contains the tariff sheet which sets forth the FERC ACA funding unit of \$0.0018/MMBtu effective October 1, 2005. Page 2 sets forth the rates proposed by TGT to become effective on June 1, 2005, and suspended by FERC Order until November 1, 2005. The rates absent the discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.5132/MMBtu (or an equivalent monthly demand charge of \$15.6098/MMBtu) and (b) a commodity charge of \$0.0685/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$13.2049/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0513/MMBtu.

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

Attached hereto as Exhibit A-1 (a), Pages 3, 4, and 5, are the tariff sheets for transportation service under Rate FT-4 applicable during the period of November 1, 2005 through January 31, 2006. Page 3 contains the tariff sheet which sets forth the FERC ACA funding unit of \$0.0018/MMBtu effective October 1, 2005. Page 4 contains the tariff sheet which sets forth the daily demand charges proposed by TGT to become effective June 1, 2005, and suspended by FERC Order until November 1, 2005. Page 5 contains the tariff sheet which sets forth the commodity charges effective June 1, 2005, and suspended by FERC Order until November 1, 2005. The rates absent the discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.3856/MMBtu (or an equivalent monthly demand charge of \$11.7287/MMBtu) and (b) a commodity charge of \$0.0590/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$6.9954/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0350/MMBtu.

Tennessee Gas Pipeline Company

On August 31, 2005, TGPL filed tariff sheets at the FERC in Docket No. RP05-640 to reflect a new ACA Unit Charge as determined by FERC and recoverable by TGPL pursuant to the General Terms and Conditions of its FERC Gas Tariff. TGPL placed into effect the new ACA funding unit of \$0.0018/MMBtu effective October 1, 2005.

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

Attached hereto as Exhibit A-1 (a), Pages 6 and 7, are the tariff sheets for transportation service under Rate FT-4 applicable during the period of November 1, 2005 through January 31, 2006. Page 7 contains the tariff sheet which sets forth the daily demand charges. Page 8 contains the tariff sheet which sets forth the commodity charges. The rates absent the discounts negotiated by LG&E would be as follows for deliveries from Zone 0 to Zone 2: (a) a daily demand charge of \$0.2979/MMBtu (or an equivalent monthly demand charge of \$9.06/MMBtu) and (b) a commodity charge of \$0.0898/MMBtu. The rates absent the discounts negotiated by LG&E would be as follows for deliveries from Zone 1 to Zone 2: (a) a daily demand charge of \$0.2505/MMBtu (or an equivalent monthly demand charge of \$7.62/MMBtu) and (b) a commodity charge of \$0.0794/MMBtu.

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

Gas Supply Costs

Since LG&E made its filing on September 29, 2005, for rates to become effective November 1, 2005, natural gas commodity prices have moderated significantly. The purpose of this filing is to reflect those new lower expected natural gas commodity prices effective December 1, 2005. As of November 8, 2005, the New York Mercantile Exchange (“NYMEX”) natural gas futures prices are \$11.793/MMBtu for December and \$12.556/MMBtu for January. The NYMEX price can be used as a general price indicator. Even though natural gas futures prices have moderated, natural gas prices this winter are expected to be significantly higher than last winter for a variety of reasons. Storage inventory levels, among other factors, affect the demand for natural gas and hence its price. The Energy Information Administration’s storage survey for the week ending October 28, 2005, indicated that storage inventory levels were lower than last year’s levels. Storage inventories across the nation are 119 Bcf (3,168 Bcf – 3,287 Bcf), or 4%, lower this year than the same period one year ago. Last year at this time, 3,287 Bcf was held in storage, while this year 3,168 Bcf is held in storage. More significantly, storage inventories across the nation are 79 Bcf (3,168 Bcf – 3,089 Bcf), or 3%, higher this year than the five-year average. On average for the last five years at this time, 3,089 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas (arising from colder weather and increased heating requirements, or warmer weather and increased electric generation requirements) tend to cause increases in the expected price of natural gas. Natural gas storage inventory levels have failed to keep up with historical levels for a number of reasons. There is a continuing supply/demand imbalance underlying the natural gas marketplace which is being exacerbated by other factors. The summer of 2005 was warmer than normal, promoting additional electric generation fired by natural gas to meet electric load requirements. The summer of 2005 was also a very active hurricane season. Two hurricanes in particular have impacted the marketplace, Katrina and Rita. Hurricane Katrina severely damaged natural gas infrastructure including not only offshore production platforms, but also compressor and purification facilities, as well as sub-sea pipelines, furthering disrupting natural gas supplies required to meet demand and re-fill storage. These factors in combination have all driven natural gas prices to record high levels. In addition, to these factors, natural gas prices have tended to follow the prices for other forms of energy, in particular oil. Relief in the form of incremental supplies (either in the form of new gas production or LNG) has not been forthcoming.

During the period under review, December 1, 2005, through January 31, 2006, LG&E estimates that its total purchases will be 9,771,159 MMBtu. LG&E expects that 4,377,159 MMBtu will be met with deliveries from TGT’s pipeline service under Rate NNS (2,496,513 MMBtu in pipeline deliveries, plus a net 1,880,646 MMBtu in storage withdrawals); 2,232,000 MMBtu will be met from deliveries under TGT’s pipeline service under Rate FT; 2,480,000 MMBtu will be met from deliveries under TGPL’s pipeline service under Rate FT-A from Zone 0; and 682,000 MMBtu will be met from deliveries under TGPL’s pipeline service under Rate FT-A from Zone 1.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the NNS service is expected to be \$11.61 in December 2005, and \$12.36 in January 2006. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the FT service is expected to be \$11.61 in December 2005, and \$12.36 in January 2006. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL under Rate FT-A from its Zone 0 is expected to be \$11.12 in December 2005, and \$11.87 in January 2006, and the average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL from its Zone 1 is expected to be \$11.64 in December 2005, and \$12.39 in January 2006.

Set forth below are the commodity costs as delivered to LG&E after giving effect to TGT's and TGPL's commodity charges for transporting the gas under Rate NNS and Rate FT, applicable retention percentages, and the applicable surcharges approved by the FERC:

RATE NNS
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RATE NNS RETENTION (TO ZONE 4)</u>	<u>TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
December 2005	\$11.6100	3.61%	\$0.0513	\$12.0961
January 2006	\$12.3600	3.61%	\$0.0513	\$12.8742

RATE FT
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE SL TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
December 2005	\$11.6100	2.44%	\$0.0350	\$11.9354
January 2006	\$12.3600	2.44%	\$0.0350	\$12.7041

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENN. GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TENN. GAS</u>	<u>RETENTION (TO ZONE 2)</u>	<u>RATE FT-A TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Zone 0				
December 2005	\$11.1200	5.16%	\$0.0175	\$11.7425
January 2006	\$11.8700	5.16%	\$0.0175	\$12.5333
Zone 1				
December 2005	\$11.6400	4.28%	\$0.0175	\$12.1780
January 2006	\$12.3900	4.28%	\$0.0175	\$12.9615

The annual demand billings covering the 12 months from November 2005 through October 2006 for the long-term firm contracts with suppliers are currently expected to be \$9,064,739.

Rate FT, Rider RBS, and Rate PS

The demand-related supply costs applicable to the Daily Utilization Charge under Rate FT, the Reserved Balancing Service under Rider RBS, and any daily utilization charges under Rate PS applicable during the three-month period of November 1, 2005 through January 31, 2006 are set forth on Exhibit A, Page 2.

Any revenue collected from the application of these charges will flow directly into the Gas Supply Cost Actual Adjustment ("GCAA") in future Gas Supply Clause filings. Therefore, the revenue collected through application of these charges will reduce the total Gas Supply Cost Component ("GSCC") charged to LG&E's sales customers.

Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service Under Rate Schedule NNS

Zone SL	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
Daily Demand	0.1037		0.1037
Commodity	0.0118	0.0018	0.0136
Overrun	0.1155	0.0018	0.1173
Zone 1			
Daily Demand	0.2804		0.2804
Commodity	0.0339	0.0018	0.0357
Overrun	0.3143	0.0018	0.3161
Zone 2			
Daily Demand	0.3122		0.3122
Commodity	0.0392	0.0018	0.0410
Overrun	0.3514	0.0018	0.3532
Zone 3			
Daily Demand	0.3510		0.3510
Commodity	0.0493	0.0018	0.0511
Overrun	0.4003	0.0018	0.4021
Zone 4			
Daily Demand	0.4138		0.4138
Commodity	0.0569	0.0018	0.0587
Overrun	0.4707	0.0018	0.4725

Note: The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 25 of the General Terms and Conditions.

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0060
Zone 1 0.0169
Zone 2 0.0192
Zone 3 0.0207
Zone 4 0.0244

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

Fifth Revised Sheet No. 20
Superseding
Fourth Revised Sheet No. 20

Currently Effective Maximum Transportation Rates (\$ per MMBtu)
For Service Under Rate Schedule NNS

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
Zone SL			
Daily Demand	0.1800		0.1800
Commodity	0.0277	0.0019	0.0296
Overrun	0.2077	0.0019	0.2096
Zone 1			
Daily Demand	0.3510		0.3510
Commodity	0.0467	0.0019	0.0486
Overrun	0.3977	0.0019	0.3996
Zone 2			
Daily Demand	0.3803		0.3803
Commodity	0.0512	0.0019	0.0531
Overrun	0.4315	0.0019	0.4334
Zone 3			
Daily Demand	0.4390		0.4390
Commodity	0.0545	0.0019	0.0564
Overrun	0.4935	0.0019	0.4954
Zone 4			
Daily Demand	0.5132		0.5132
Commodity	0.0667	0.0019	0.0686
Overrun	0.5799	0.0019	0.5818

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0193
Zone 1 0.0203
Zone 2 0.0241
Zone 3 0.0281
Zone 4 0.0348

Note: The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 25 of the General Terms and Conditions.

Issued by: James R. Hendrix, Vice President, Rates
Issued on: April 29, 2005

Effective on: June 1, 2005

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

Third Revised Sheet No. 24
Superseding
Substitute Second Revised Sheet No. 24

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

	Currently Effective Rates [1]
SL-SL	0.0940
SL-1	0.2071
SL-2	0.2684
SL-3	0.3207
SL-4	0.3856
1-1	0.1771
1-2	0.2384
1-3	0.2907
1-4	0.3556
2-2	0.1663
2-3	0.2185
2-4	0.2815
3-3	0.1584
3-4	0.2214
4-4	0.1628

Minimum Rates: Demand \$-0-

Backhaul rates equal fronthaul rates to zone of delivery.

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

Note: The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 25 of the General Terms and Conditions.

Issued by: James R. Hendrix, Vice President, Rates
Issued on: April 29, 2005

Effective on: June 1, 2005

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

	Base Tariff Rates (1)	FERC ACA Rates (2)	Currently Effective Rates (3)
SL-SL	0.0089	0.0018	0.0107
SL-1	0.0267	0.0018	0.0285
SL-2	0.0354	0.0018	0.0372
SL-3	0.0458	0.0018	0.0476
SL-4	0.0517	0.0018	0.0535
1-1	0.0222	0.0018	0.0240
1-2	0.0326	0.0018	0.0344
1-3	0.0417	0.0018	0.0435
1-4	0.0468	0.0018	0.0486
2-2	0.0177	0.0018	0.0195
2-3	0.0278	0.0018	0.0296
2-4	0.0329	0.0018	0.0347
3-3	0.0174	0.0018	0.0192
3-4	0.0225	0.0018	0.0243
4-4	0.0126	0.0018	0.0144

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

Backhaul rates equal fronthaul rates to zone of delivery.

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

Fourth Revised Sheet No. 25
Superseding
Third Revised Sheet No. 25

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

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
SL-SL	0.0107	0.0019	0.0126
SL-1	0.0383	0.0019	0.0402
SL-2	0.0436	0.0019	0.0455
SL-3	0.0497	0.0019	0.0516
SL-4	0.0572	0.0019	0.0591
1-1	0.0360	0.0019	0.0379
1-2	0.0417	0.0019	0.0436
1-3	0.0466	0.0019	0.0485
1-4	0.0548	0.0019	0.0567
2-2	0.0336	0.0019	0.0355
2-3	0.0385	0.0019	0.0404
2-4	0.0467	0.0019	0.0486
3-3	0.0328	0.0019	0.0347
3-4	0.0410	0.0019	0.0429
4-4	0.0360	0.0019	0.0379

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

Backhaul rates equal fronthaul rates to zone of delivery.

Issued by: James R. Hendrix, Vice President, Rates
Issued on: April 29, 2005

Effective on: June 1, 2005

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

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

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates

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

Surcharges

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

Maximum Reservation Rates 2/

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

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

Notes:

- 1 PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000, was revised and the PCB Adjustment Period has been extended until June 30, 2006 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.
- 2 Maximum rates are inclusive of base rates and above surcharges

Issued by: Byron S. Wright, Vice President

Issued on: June 30, 2004

Effective on: August 1, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. RP97-149, et al., issued April 29, 1998, 83 FERC ¶ 61,093

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

Seventeenth Revised Sheet No. 23A
Superseding
Sixteenth Revised Sheet No. 23A

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0439		\$0.0669	\$0.0880	\$0.0978	\$0.1118	\$0.1231	\$0.1608
L		\$0.0286						
1	\$0.0669		\$0.0572	\$0.0776	\$0.0874	\$0.1014	\$0.1126	\$0.1503
2	\$0.0880		\$0.0776	\$0.0433	\$0.0530	\$0.0681	\$0.0783	\$0.1159
3	\$0.0978		\$0.0874	\$0.0530	\$0.0366	\$0.0663	\$0.0765	\$0.1142
4	\$0.1129		\$0.1025	\$0.0681	\$0.0663	\$0.0401	\$0.0459	\$0.0834
5	\$0.1231		\$0.1126	\$0.0783	\$0.0765	\$0.0459	\$0.0427	\$0.0765
6	\$0.1608		\$0.1503	\$0.1159	\$0.1142	\$0.0834	\$0.0765	\$0.0642

Minimum
Commodity Rates 2/

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

Maximum
Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0457		\$0.0687	\$0.0898	\$0.0996	\$0.1136	\$0.1249	\$0.1626
L		\$0.0304						
1	\$0.0687		\$0.0590	\$0.0794	\$0.0892	\$0.1032	\$0.1144	\$0.1521
2	\$0.0898		\$0.0794	\$0.0451	\$0.0548	\$0.0699	\$0.0801	\$0.1177
3	\$0.0996		\$0.0892	\$0.0548	\$0.0384	\$0.0681	\$0.0783	\$0.1160
4	\$0.1147		\$0.1043	\$0.0699	\$0.0681	\$0.0419	\$0.0477	\$0.0852
5	\$0.1249		\$0.1144	\$0.0801	\$0.0783	\$0.0477	\$0.0445	\$0.0783
6	\$0.1626		\$0.1521	\$0.1177	\$0.1160	\$0.0852	\$0.0783	\$0.0660

Notes:

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

\$0.0018

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

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2005-00XXX****Calculation of Gas Cost Actual Adjustment (GCAA)**

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of over-recovery from Case Number 2004-00526 during the three-month period of May 2005 through July 2005 was \$2,189,197. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a credit of 0.609¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after November 1, 2005, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from May 2005 through July 2005. [Please note that the names of the suppliers have been redacted from this page, in accordance with LG&E's petition for confidentiality filed this quarter.]

Also in this filing, LG&E will be eliminating the GCAA from Case 2004-00117, with service rendered through October 31, 2005, which will have been in effect for twelve months. Any over or under recovery of the amount originally established in this GCAA will be transferred to the Gas Cost Balance Adjustment (GCBA) which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after the month of February 2006.

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

Current Quarter Actual Adjustment:	
Effective November 1, 2005 from 2005-00143	(0.609) cents/Ccf
Previous Quarter Actual Adjustment	
Effective August 1, 2005 from 2004-00526	(0.182) cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective May 1, 2005 from 2004-00390	2.050 cents/Ccf
3rd Previous Quarter Actual Adjustment	
Effective February 1, 2005 from 2004-00271	(1.417) cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	(0.158) cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Cost Recovery Under GSC Compared to Actual Gas Supply Costs			Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries			
	Total Dollars of Gas Cost Recovered ¹	Gas Supply Cost Per Books ²	Over Or (Under) Recovery (1) - (2)	Expected Mcf Sales for 12- Month Period From Date Implemented	GCAA Per Mcf	GCAA Per 100 Cu. Ft.	Implemented With Service Rendered On
Nov - Jan 2000 Case # 90-158 JJ	61,376,761	59,434,246	1,942,515	40,445,558	(\$0.0480)	(\$0.00480)	5/1/2000
Feb - April 2000 Case # 90-158 KK	47,258,205	51,202,070	(3,943,865)	40,600,194	\$0.0971	\$0.00971	8/1/2000
May - July 2000 Case # 90-158 LL	14,233,712	18,761,623	(4,527,911)	39,895,493	\$0.1135	\$0.01135	11/1/2000
Aug - Oct 2000 Case # 90-158 MM	24,864,694	24,945,636	(80,942)	40,185,038	\$0.0020	\$0.00020	2/1/2001
Nov 2000 - Jan 2001 Case # 2000-080-A	128,334,845	166,746,237	(38,411,392)	40,502,982	\$0.9484	\$0.09484	5/1/2001
Feb 2001 - Apr 2001 Case # 2000-080-B	84,744,480	72,203,459	12,541,021	40,583,967	(\$0.3090)	(\$0.03090)	8/1/2001
May 2001 - Jul 2001 Case # 2000-080-D	17,784,983	15,885,438	1,899,545	40,602,547	(\$0.0468)	(\$0.00468)	11/1/2001
Aug 2001 - Oct 2001 Case # 2000-080-G	18,398,144	14,357,692	4,040,452	37,352,279	(\$0.1082)	(\$0.01082)	2/01/2002
Nov 2001 - Jan 2002 Case # 2000-080-H	56,558,240	58,396,260	(1,838,020)	37,610,431	\$0.0489	\$0.00489	5/01/2002
Feb 2002 - Apr 2002 Case # 2000-080-I	56,940,651	60,982,147	(12,230,238) ³	37,752,063	\$0.3240	\$0.03240	8/1/2002
May 2002 - July 2002 Case # 2002-00110	13,438,971	15,122,528	(1,683,557)	36,753,737	\$0.0458	\$0.00458	11/1/2002
Aug 2002 - Oct 2002 Case # 2002-00261	15,907,785	17,086,539	(1,178,754)	36,801,563	\$0.0320	\$0.00320	2/1/2003
Nov 2002 - Jan 2003 Case # 2002-00368	97,958,248	107,648,978	(9,690,730)	36,918,853	\$0.2625	\$0.02625	5/1/2003
Feb 2003-Apr 2003 Case # 2003-00004	68,860,317	89,433,601	(20,573,284)	36,900,588	\$0.5575	\$0.05575	8/1/2003
May 2003-Jul 2003 Case # 2003-000121	18,971,902	18,559,852	412,050	36,348,575	(\$0.0113)	(\$0.00113)	11/1/2003
Aug 2003 - Oct 2003 Case # 2003-00260	25,560,264	20,773,050	4,787,214	36,405,180	(\$0.1315)	(\$0.01315)	2/1/2004
Nov 2003 - Jan 2004 Case # 2003-00385	110,568,160	117,066,050	(6,497,890)	36,398,609	\$0.1785	\$0.01785	5/1/2004
Feb 2004 - Apr 2004 Case # 2003-00506	83,438,486	81,507,939	1,930,547	36,434,958	(\$0.0530)	(\$0.00530)	8/1/2004
May 2004 - Jul 2004 Case # 2004-00117	19,042,943	21,865,358	(2,822,415)	36,321,555	\$0.0777	\$0.00777	11/1/2004
Aug 2004 - Oct 2004 Case # 2004-00271	25,903,070	20,754,205	5,148,865	36,326,312	(\$0.1417)	(\$0.01417)	2/1/2005
Nov 2004 - Jan 2005 Case # 2004-00390	121,366,510	128,832,748	(7,466,238)	36,421,319	\$0.2050	\$0.02050	5/1/2005
Feb 2005 - Apr 2005 Case # 2004-00526	97,013,157	96,350,924	662,233	36,428,002	(\$0.0182)	(\$0.00182)	8/1/2005
May 2005 - Jul 2005 Case # 2005-00143	31,352,437	29,163,240	2,189,197	35,923,358	(\$0.0609)	(\$0.00609)	11/1/2005

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

³ This amount includes \$8,188,742 transferred from the Gas Supply Balance Adjustment (Exhibit C-1, Page 1 of 2, column 3).

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Costs Recovered
Under Company's Gas Supply Clause

	Monthly Mcf Sales ¹	Nov 1, 2003 Through Jan 31, 2004	Feb 1, 2004 Through Apr 30, 2004	May 1, 2004 Through Jul 31, 2004	Aug 1, 2004 Through Oct 31, 2004	Nov 1, 2004 Through Jan 31, 2005	Feb 1, 2005 Through April 30, 2005	May 1, 2005 Through July 31, 2005
1	NOV	2,087,577						
2	DEC	4,861,196						
3	2004	6,693,093						
4	JAN	7,344,817	4,017,715					
5	MAR	4,514,128	4,514,128					
6	APR	2,866,544	2,866,544					
7	MAY	1,379,481	641,122	738,359				
8	JUNE	891,921		891,921				
9	JULY	793,150		793,150				
10	AUG	793,351		344,017	449,334			
11	SEPT	832,453			832,453			
12	OCT	1,030,809			1,030,809			
13	NOV	1,869,532			841,907	1,027,625		
14	DEC	4,359,120				4,359,120		
15	2005	6,317,608				6,317,608		
16	JAN	5,874,728				2,859,788		
17	MAR	5,232,940				3,014,939		
18	APR	2,888,645				5,232,940		
19	MAY	1,725,429				2,888,645		
20	JUNE	1,399,647				811,705		913,725
21	JULY	802,316						924,088
22	AUG	751,741						802,316
23	Applicable Mcf Sales During 3 Month Period	16,014,377	12,039,509	2,767,447	3,154,503	14,564,142	11,948,228	3,040,598
24	Gas Supply Clause No.	2003-00385	2003-00506	2004-00117	2004-00271	2004-00390	2004-00526	2005-00143
25	Gas Supply Cost Recovered Per Mcf Sold	\$6.3665	\$6.5281	\$6.7718	\$7.9764	\$8.1110	\$7.2702	\$9.0435
26	Dollars of Recovery Under GSC	\$101,955,528	\$78,595,119	\$18,740,595	\$25,161,579	\$118,129,757	\$86,866,007	\$27,497,647
27	Mcf of Customer-Owned Gas Transported Under Rate TS	16,050	14,894	6,416	17,683	15,508	14,815	9,911
28	Pipeline Suppliers' Demand Component Per Mcf	1.0865	0.8613	0.7071	0.8495	0.8935	0.8905	0.8915
29	Dollars of Recovery Under Rate TS (Line 27 x Line 28)	\$17,438	\$12,828	\$4,537	\$15,021	\$13,856	\$13,193	\$8,836
30	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$546,967	\$296,164	\$297,812	\$286,070	\$534,038	\$445,793	\$265,274
31	Revenues from Off-system Sales	\$8,048,227	\$4,534,375	\$0	\$440,400	\$2,688,858	\$9,688,164	\$3,580,681
32	Total \$'s of Gas Cost Recovered (Line 26 + Line 29 + Line 30 + Line 31)	\$110,568,160	\$83,438,486	\$19,042,943	\$25,903,070	\$121,366,510	\$97,013,157	\$31,352,437

1. Monthly Mcf Sales include volumes for Natural Gas Vehicles (NGVs).

LOUISVILLE GAS AND ELECTRIC COMPANY
Summary of Gas Costs Recovered
Under Provisions of Rate FT

(1) Billing Month	(2) Case Number	(3) UCDI Demand Chng / Mcf	(4) Seasonal RBS Demand Chng / Mcf	(5) RBS Demand Chng / Mcf	(6) Cash-Out Sales (Mcf)	(7) Cash-Out Sales (\$)	(8) MMBTU Adjust. (Mcf)	(9) MMBTU Adjust. (\$)	(10) UCDI Mcf	(11) UCDI \$ [(9) x (10)]	(12) Seasonal RBS Mcf	(13) Seasonal RBS \$ [(4) x (12)]	(14) RBS Mcf	(15) RBS \$ [(5) x (14)]	(16) OFO \$	(17) Monthly \$s Recovered [(7)+(9)+(11) + (13)-(15)-(16)]
2003 May	2003-00121	0.1586	0	\$4.82	27,943.4	\$197,850.08	5,499.0	\$33,692.38	64,545.4	\$17,880.29	0.0	#REF!	0.00	\$0.00	\$0.00	#REF!
2003 June	2003-00121	0.1586	0	\$4.82	8,161.2	\$52,951.37	10,197.0	\$62,854.32	50,951.7	\$16,024.26	0.0	\$0.00	0.00	\$0.00	\$0.00	\$131,829.95
2003 July	2003-00121	0.1586	0	\$4.82	4,166.7	\$23,307.59	9,937.0	\$52,844.98	67,137.0	\$19,075.48	0.0	\$0.00	0.00	\$0.00	\$0.00	\$95,228.05
Total FT Revenues																
2003 Aug	2003-00260	0.1613	0	\$4.91	470.4	\$2,845.05	7,387.0	\$38,656.20	42,948.4	\$12,421.07	0.0	\$0.00	0.00	\$0.00	\$24,607.35	\$76,520.67
2003 Sep	2003-00260	0.1613	0	\$4.91	21,705.0	\$106,425.35	8,995.0	\$43,913.59	42,759.6	\$11,627.52	0.0	\$0.00	0.00	\$0.00	\$0.00	\$161,988.46
2003 Oct	2003-00260	0.1613	0	\$4.91	10,878.6	\$56,773.66	2,068.0	\$10,457.89	96,035.1	\$26,315.74	0.0	\$0.00	0.00	\$0.00	\$0.00	\$93,547.29
Total FT Revenues																
2003 Nov	2003-00385	0.2607	0	\$7.93	4,499.0	\$22,881.05	1,697.0	\$8,133.72	116,950.7	\$42,930.83	0.0	\$0.00	0.00	\$0.00	\$0.00	\$73,745.60
2003 Dec	2003-00385	0.2607	0	\$7.93	28,901.9	\$186,556.10	779.0	\$4,956.00	132,944.6	\$42,875.21	0.0	\$0.00	0.00	\$0.00	\$0.00	\$234,187.31
2004 Jan	2003-00385	0.2607	0	\$7.93	7,978.7	\$58,370.67	7,182.0	\$48,092.91	92,860.1	\$35,856.34	0.0	\$0.00	0.00	\$0.00	\$86,714.24	\$239,034.16
Total FT Revenues																
2004 Feb	2003-00506	0.2072	0	\$6.30	5,626.8	\$34,341.62	4,270.0	\$24,642.17	62,898.2	\$17,585.13	0.0	\$0.00	0.00	\$0.00	\$18,464.21	\$95,033.13
2004 Mar	2003-00506	0.2072	0	\$6.30	5,705.6	\$36,547.71	6,286.0	\$35,569.70	112,940.4	\$36,954.10	0.0	\$0.00	0.00	\$0.00	\$0.00	\$109,091.51
2004 Apr	2003-00506	0.2072	0	\$6.30	8,318.3	\$55,019.43	1,992.0	\$12,292.63	75,573.1	\$24,727.52	0.0	\$0.00	0.00	\$0.00	\$18,464.21	\$92,039.98
Total FT Revenues																
2004 May	2004-00117	0.1701	0	\$5.17	5,779.3	\$41,012.37	836.0	\$5,606.21	57,831.7	\$9,854.18	0.0	\$0.00	0.00	\$0.00	\$0.00	\$206,164.22
2004 Jun	2004-00117	0.1701	0	\$5.17	13,146.0	\$89,424.43	3,300.0	\$21,780.00	48,361.6	\$9,226.31	0.0	\$0.00	0.00	\$0.00	\$0.00	\$58,472.76
2004 Jul	2004-00117	0.1701	0	\$5.17	15,422.8	\$103,606.08	1,824.0	\$11,671.36	38,980.7	\$6,630.62	0.0	\$0.00	0.00	\$0.00	\$0.00	\$119,430.74
Total FT Revenues																
2004 Aug	2004-00271	0.2105	0	\$6.40	13,946.0	\$87,896.88	2,538.0	\$15,145.96	40,216.9	\$8,465.66	0.0	\$0.00	0.00	\$0.00	\$11,464.54	\$297,811.56
2004 Sept	2004-00271	0.2105	0	\$6.40	6,951.5	\$46,091.28	2,384.0	\$11,976.38	51,928.2	\$10,930.89	0.0	\$0.00	0.00	\$0.00	\$10,107.68	\$122,873.04
2004 Oct	2004-00271	0.2105	0	\$6.40	7,560.2	\$65,096.68	1,164.0	\$7,062.64	56,348.9	\$11,861.44	0.0	\$0.00	0.00	\$0.00	\$21,572.22	\$79,076.23
Total FT Revenues																
2004 Nov	2004-00390	0.2189	0	\$6.66	12,362.5	\$98,486.35	1,638.0	\$12,600.72	62,890.3	\$13,766.69	0.0	\$0.00	0.00	\$0.00	\$0.00	\$286,070.03
2004 Dec	2004-00390	0.2189	0	\$6.66	14,489.3	\$116,723.10	4.0	\$24.98	187,758.7	\$41,100.38	0.0	\$0.00	0.00	\$0.00	\$166,963.28	\$124,853.76
2005 Jan	2004-00390	0.2189	0	\$6.66	4,204.9	\$30,850.65	3,700.0	\$21,530.78	145,686.1	\$31,890.69	0.0	\$0.00	0.00	\$0.00	\$0.00	\$324,811.74
Total FT Revenues																
2005 Feb	2004-00526	0.2189	0	\$6.66	2,666.0	\$18,528.80	2,151.0	\$13,664.58	80,478.0	\$17,616.63	0.0	\$0.00	0.00	\$0.00	\$0.00	\$54,372.12
2005 Mar	2004-00526	0.2189	0	\$6.66	19,117.3	\$162,258.89	1,286.0	\$9,399.48	85,737.1	\$16,767.85	0.0	\$0.00	0.00	\$0.00	\$0.00	\$180,428.20
2005 Apr	2004-00526	0.2189	0	\$6.66	18,983.3	\$173,823.38	1,705.0	\$13,023.74	85,471.1	\$18,708.62	0.0	\$0.00	0.00	\$0.00	\$0.00	\$205,556.74
Total FT Revenues																
2005 May	2005-00143	0.2189	0	\$6.66	14,123.5	\$115,673.41	0	\$	65,820.6	\$14,408.13	0.0	\$0.00	0.00	\$0.00	\$0.00	\$445,792.08
2005 June	2005-00143	0.2189	0	\$6.66	7,718.4	\$76,654.30	1,173.0	\$8,092.57	37,465.9	\$8,201.29	0.0	\$0.00	0.00	\$0.00	\$0.00	\$130,061.54
2005 July	2005-00143	0.2189	0	\$6.66	1,352.6	\$11,633.92	2,837.0	\$19,476.57	50,242.7	\$10,998.13	0.0	\$0.00	0.00	\$0.00	\$135.41	\$82,048.16
Total FT Revenues																
Total FT Revenues																
Total FT Revenues																

Note: Should a Customer served under Rate FT under-nominate its monthly gas supply needs, a Cash-Out Sale is made to the Customer. This sale, which is based upon the cash-out price established in Rate FT, is also flowed through the GCAA as revenue.

Note: Changes in billings of the Cash-out Provision caused by variations in the MMBTU content of the gas are corrected on the following month's bill. Should such change occur as a change to the customer, such revenue is flowed through the GCAA.

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

	MCF				DOLLARS				Plus: Other Gas Purchase Expenses	Total Gas Supply Cost			
	Mcf Purchases	Purchases for OSS	Purchases for Depts. other Than Gas Dept.	Less: Purchases Injected into Storage	Plus: Mcf Withdrawn From Storage	Mcf Sendout (Gas Dept.)	Purchased Gas Costs	Purchased Gas Costs for OSS			Less: Purchases for Non-Gas Departments	Plus: Cost of Gas Withdrawn From Storage	
August	4,115,417	0	(151,356)	(3,101,260)	785	863,586	22,649,406	0	(848,796)	(17,055,690)	4,267	6,203	4,765,391
September	3,991,117	0	(88,121)	(2,897,273)	795	996,458	20,571,326	0	(458,101)	(14,966,443)	3,951	4,396	5,155,129
October	3,841,724	148,975	(55,230)	(1,912,962)	1,041	2,023,548	20,873,890	670,349	(299,899)	(10,394,079)	5,603	6,666	10,862,530
Total August thru October 2003						3,883,592							20,773,050
November	2,675,547	343,371	(42,522)	(395,872)	930,628	3,510,152	16,923,313	1,555,641	(269,129)	(2,510,295)	5,032,278	2,676	20,734,484
December	5,152,316	681,471	(93,088)	(150,507)	1,491,761	7,081,953	31,959,991	3,359,823	(434,545)	(933,595)	8,078,930	8,633	42,039,239
January	4,551,729	331,885	(73,735)	(46,964)	3,528,052	8,290,956	33,761,889	2,081,914	(341,684)	(348,351)	19,132,273	6,286	54,292,327
Total November 2003 thru January 2004						18,883,071							117,066,050
February	3,754,776	0	(74,088)	0	2,504,444	6,185,132	26,387,334	0	(276,751)	0	13,581,349	0	39,698,485
March	1,585,989	778,184	(73,829)	0	2,317,673	4,608,017	12,072,567	4,057,151	(319,545)	0	12,568,741	0	28,385,610
April	977,538	48,780	(239,105)	0	1,407,254	2,194,454	7,111,049	267,000	(1,591,512)	0	7,631,398	0	13,423,843
Total February thru April 2004						12,987,613							81,507,839
May	570,966	0	(108,345)	0	652,509	1,115,130	6,285,267	0	(1,137,911)	0	3,538,556	0	8,691,622
June	1,947,287	0	(95,412)	(1,007,869)	690	844,697	16,148,732	0	(656,098)	(8,363,087)	4,314	5,630	7,139,491
July	3,599,624	0	(66,985)	(2,665,412)	(198)	878,369	24,722,772	0	(452,623)	(18,314,579)	(1,291)	5,899	6,034,245
Total May thru July 2004						2,898,216							21,865,358
August	4,277,749	0	(94,370)	(3,310,454)	402	887,875	26,877,573	0	(586,294)	(20,755,884)	2,586	6,628	5,638,187
September	3,755,188	0	(62,928)	(2,816,331)	347	897,707	21,141,125	0	(350,740)	(15,856,507)	2,156	4,341	5,075,078
October	3,988,247	62,439	(41,431)	(2,538,467)	940	1,490,813	27,038,369	359,040	(280,902)	(17,209,791)	5,959	7,277	10,040,939
Total August thru September 2004						3,276,395							20,754,205
November	2,693,956	0	(65,065)	(235,151)	717,780	3,421,717	22,563,078	0	(641,447)	(1,969,813)	4,573,694	7,810	26,600,411
December	4,899,098	0	(100,509)	(37,067)	1,759,282	6,592,313	40,906,913	0	(641,777)	(21,918)	11,210,673	6,003	51,696,096
January	4,143,304	443,046	(150,989)	0	2,646,393	7,115,181	31,758,225	2,641,343	(948,459)	0	16,863,610	8,515	50,536,241
Total November 2004 thru January 2005						17,129,211							128,832,748
February	2,248,550	208,831	(36,228)	0	2,878,943	5,329,532	18,581,411	1,230,349	(298,849)	0	18,345,488	5,970	38,051,371
March	2,538,425	1,253,931	(51,600)	0	2,655,926	6,420,441	20,249,323	7,839,990	(396,407)	0	16,924,623	10,025	44,778,956
April	666,162	0	(51,903)	0	1,265,249	1,899,748	5,773,216	0	(449,999)	0	8,062,546	5,859	13,520,598
Total February through April 2005						13,649,721							96,350,924
May	904,733	0	(52,323)	0	460,254	1,333,285	9,084,815	0	(525,323)	0	2,932,877	7,537	11,631,309
June	1,730,044	475,559	(135,306)	(721,426)	958	1,371,049	14,177,585	2,973,433	(1,087,946)	(5,921,825)	6,550	8,065	10,301,047
July	4,089,736	0	(374,889)	(2,853,448)	958	888,184	33,360,576	0	(3,073,666)	(23,263,876)	7,183	7,019	7,230,685
Total May through July 2005						3,592,518							29,163,240

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM MAY 2005 THROUGH JULY 2005

DELIVERED BY TEXAS GAS TRANSMISSION, LLC
COMMODITY AND VOLUMETRIC CHARGES:

	MAY 2005		JUNE 2005		JULY 2005	
	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
1 . NATURAL GAS SUPPLIERS:						
2 . A	244,794	238,823	747,896	729,655	769,500	740,976
3 . B	0	0	0	0	325,500	317,661
4 . C	0	0	0	0	0	0
5 . D	0	0	0	0	0	0
6 . E	0	0	0	0	0	0
7 . F	369,164	360,160	359,040	350,283	371,008	361,959
8 . G	0	0	0	0	0	0
9 . H	0	0	0	0	0	0
10 . I	359,371	350,606	0	0	0	0
11 . J	0	0	0	0	0	0
12 . K	232,500	228,830	0	0	0	0
13 . L	0	0	0	0	0	0
14 . M	156,459	152,643	460,893	449,642	489,500	487,317
15 . N	39,038	38,086	(160,576)	(156,660)	0	0
16 . O	311,176	303,586	301,260	293,912	310,000	302,439
17 . P	97,852	95,465	(328,872)	(318,898)	0	0
18 . Q	0	0	0	0	0	0
19 . R	1,559	1,521	0	0	0	0
20 . S	7,795	7,605	0	0	0	0
21 . T	66,330	64,712	0	0	0	0
U	1,866,036	1,840,037	1,381,631	1,347,933	2,529,006	2,467,325
NET NNS STORAGE						
1 . WITHDRAWALS	0	0	0	0	110,768	109,066
2 . INJECTIONS	(1,273,468)	(1,242,408)	(602,186)	(587,489)	(305,581)	(296,177)
3 . ADJUSTMENTS	(118)	(219)	(478)	1,550	(111)	1,960
4 . ADJUSTMENTS						
5 . ADJUSTMENTS						
NET NNS STORAGE	(1,273,586)	(1,242,627)	(602,662)	(585,949)	(192,924)	(186,161)
NATURAL GAS TRANSPORTERS:						
1 . TEXAS GAS TRANSMISSION, LLC	0	0	0	0	0	0
2 . ADJUSTMENTS	0	(4)	0	(3,172)	0	(4,747)
3 . ADJUSTMENTS	0	0	0	0	0	0
TOTAL	612,452	597,406	778,969	756,812	2,338,084	2,278,417
TOTAL COMMODITY AND VOLUMETRIC CHARGES	\$5,483,843.77		\$4,899,327.18		\$17,302,805.65	
DEMAND AND FIXED CHARGES:						
1 . TEXAS GAS TRANSMISSION, LLC	\$1,017,960.95		\$982,348.20		\$1,013,179.78	
2 . ADJUSTMENTS	\$0.00		\$6,119.90		\$0.00	
3 . ADJUSTMENTS	\$0.00		\$0.00		\$0.00	
4 . SUPPLY RESERVATION CHARGES	\$213,448.95		\$206,583.50		\$213,448.95	
5 . CAPACITY RELEASE CREDITS	(\$35,960.00)		(\$30,300.00)		(\$22,010.00)	
TOTAL DEMAND AND FIXED CHARGES	\$1,195,449.90		\$1,164,731.60		\$1,204,618.71	
TOTAL PURCHASED GAS COSTS - TEXAS GAS TRANSMISSION, LLC	\$6,679,293.67		\$6,064,058.78		\$18,507,424.36	

TOTAL PURCHASED GAS COSTS - TEXAS GAS TRANSMISSION, LLC

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM MAY 2005 THROUGH JULY 2005

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY
COMMODITY AND VOLUMETRIC CHARGES:

	MAY 2005		JUNE 2005		JULY 2005	
	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
NATURAL GAS SUPPLIERS:						
1 V	0	0	0	0	0	0
2 W	10,513	10,207	900,000	873,786	830,000	802,813
3 X	0	0	0	0	0	0
4 Y	72,635	70,519	0	0	0	0
5 Z	195,925	190,218	0	0	0	0
6 AA	20,070	19,465	0	0	0	0
	298,143	290,428	900,000	873,786	1,573,094	1,527,278
		\$1,869,530.00		\$6,816,124.19		\$12,140,610.43
NATURAL GAS TRANSPORTERS:						
1 TENNESSEE GAS PIPELINE COMPANY		\$5,235.03		\$15,750.00		\$27,528.15
2 TRANSPORTATION BY OTHERS		\$0.00		\$0.00		\$0.00
3 ADJUSTMENTS	0	0	0	0	0	0
4 ADJUSTMENTS	(29)	383	(69)	1,060	(10,946)	(11,917)
5 ADJUSTMENTS	0	0	0	0	0	0
TOTAL	298,114	290,812	898,831	874,846	1,662,148	1,515,359
		\$5,021.41		(\$173,358.58)		(\$53,404.09)
TOTAL COMMODITY AND VOLUMETRIC CHARGES		\$1,974,551.41		\$6,442,765.61		\$12,087,206.35
DEMAND AND FIXED CHARGES:						
1 TENNESSEE GAS PIPELINE COMPANY		\$328,664.00		\$328,664.00		\$328,664.00
2 TRANSPORTATION BY OTHERS		\$0.00		\$0.00		\$0.00
3 SUPPLY RESERVATION CHARGES		\$0.00		\$0.00		\$0.00
4 CAPACITY RELEASE CREDITS		\$0.00		\$0.00		\$0.00
TOTAL DEMAND AND FIXED CHARGES		\$328,664.00		\$328,664.00		\$328,664.00
TOTAL PURCHASED GAS COSTS - TENNESSEE GAS PIPELINE COMPANY		\$2,304,215.41		\$6,772,429.61		\$12,416,870.35

OTHER PURCHASES

1 PURCHASED FOR ELECTRIC DEPARTMENT

	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
BB	0	0	25,000	24,390	152,500	148,779
CC	0	0	45,500	44,390	140,500	137,074
DD	0	0	12,500	12,185	0	0
EE	0	0	0	0	0	0
ADJUSTMENTS	0	0	0	0	0	0
TOTAL	0	0	83,000	80,975	293,000	285,558
		\$101,305.70		\$841,270.00		\$2,345,620.00

2 CASH-OUT OF CUSTOMER OVER-DELIVERIES

	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
TOTAL	0	16,515	83,000	80,975	293,000	285,558
		\$101,305.70		\$82,678.77		\$2,345,620.00
TOTAL PURCHASED GAS COSTS - ALL PIPELINES	911,566	904,733	1,761,900	1,730,044	4,191,232	4,089,736
		\$9,084,814.78		\$13,570,437.16		\$33,360,576.26

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2005-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over or under recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The over-recovery that must be refunded under the Gas Cost Balance Adjustment (GCBA) during the period of November 1, 2005 through January 31, 2006, set forth on Page 1 of Exhibit C-1 is \$196,778. The GCBA factor required to refund this over-recovery is 0.114¢ per 100 cubic feet. LG&E will place this credit into effect with service rendered on and after November 1, 2005 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2005-00274, which, with service rendered through October 31, 2005 will have been in effect for three months. Any over- or under-recovery of the amount originally established will be transferred to the GCBA which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after February 1, 2006.

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Quarterly Gas Cost Balance Adjustment
To Compensate for Over or (Under) Recoveries
From the Gas Cost Actual Adjustment (GCAA) and
Gas Cost Balance Adjustment (GCBA)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Implemented for Three-Month Period With Service Rendered On and After:	Remaining Over (Under) Recovery From GCAA ¹ (\$)	Amt. Transferred From Refund Factor & PBRRC (\$)	GCBA From Second Preceding 3 Mo. Period (\$)	Applicable Sales During 3 Mo. Period ² (mcf)	GCBA Factor From Second Preceding 3 Mo. Period (cents/mcf)	Recovery Under GCBA (\$)	Remaining Over (Under) Recovery (\$)	Deferred Amounts Recovery (\$)	Total Remaining Over (Under) Recovery (\$)	Expected Sales For 3 Mo. Period (mcf)	GCBA (cents/mcf)	GCBA (cents/ccf)
						(5) x (6)	(4) + (7)		(2 + 3 + 8 + 9)			
May 1, 2000 (Case No. 90-158-LL)	362,226	(617,311)	(348,046)	15,829,134	1.91	302,336	(45,710)	(300,794)	3,372,657	8.92	0.892	
Aug 1, 2000 (Case No. 90-158 MM)	856,195	407,837 ⁴	128,775	11,499,775	(0.93)	(106,948)	21,827	1,285,859	4,242,472	(30.31)	(3.031)	
Nov 1, 2000 (Case No. 2000-080-A)	(601,072)	0	(300,794)	3,303,970	8.92	294,668	(6,126)	(607,198)	18,565,717	3.27	0.327	
Feb 1, 2001 (Case No. 2000-080-B)	(149,808)	0	1,285,859	3,901,253	(30.31)	(1,182,438)	103,421	(46,387)	13,763,414	0.34	0.034	
May 1, 2001 (Case No. 2000-080-D)	(8,940)	(85,029) ⁵	(607,198)	20,091,139	3.27	657,087	49,889	(44,080)	3,450,684	1.28	0.128	
Aug 1, 2001 (Case No. 2000-080-G)	80,430		(46,387)	9,271,406	0.34	31,248	(15,140)	65,290	4,314,643	(1.51)	(0.151)	
Nov 1, 2001 (Case No. 2000-080-H)	(215,729)		(44,080)	2,905,333	1.28	37,113	(6,966)	(222,695)	18,683,795	1.19	0.119	
Feb 1, 2002 (Case No. 2000-080-I)	(196,171)		65,290	3,650,012	(1.51)	(55,232)	10,058	(188,164)	13,597,583	1.38	0.138	
May 1, 2002 (Case No. 2002-00110)	(15,777)		(222,695)	13,720,912	1.19	163,542	(59,153)	(74,930)	3,280,770	2.28	0.228	
Aug 1, 2002 (Case No. 2002-00261)	(8,188,742)	8,188,742 ⁶	(188,164)	11,586,976	1.38	160,341	(27,823)	(27,823)	3,928,057	0.71	0.071	
Nov 1, 2002 (Case No. 2002-00368)	2,636,575		(74,930)	3,095,321	2.28	70,695	(4,236)	2,632,339	17,781,076	(14.80)	(1.480)	
Feb 1, 2003 (Case No. 2003-00004)	398,606		(27,823)	3,668,145	0.71	26,044	(1,779)	396,827	13,009,658	(3.05)	(0.305)	
May 1, 2003 (Case No. 2003-00121)	97,787		396,827	18,255,311	(14.80)	(2,702,546)	(70,207)	27,580	3,519,058	(0.78)	(0.078)	
Aug 1, 2003 (Case No. 2003-00260)	19,949		27,580	2,961,852	(0.78)	(23,102)	4,478	20,993	3,691,785	(0.57)	(0.057)	
Nov. 1, 2003 (Case No. 2003-00385)	35,085		20,993	3,440,040	(0.57)	(19,608)	1,385	39,563	17,166,186	(0.23)	(0.023)	
Feb. 1, 2004 (Case No. 2004-00506)	40,066	(970) ⁷	39,563	16,014,377	(0.23)	(36,833)	2,730	40,481	12,672,184	(0.32)	(0.032)	
May 1, 2004 (Case No. 2004-00117)	(46,186)		40,481	12,039,509	(0.32)	(38,526)	1,955	(43,456)	2,869,986 ³	1.51	0.151	
Aug 1, 2004 (Case No. 2004-00271)	(648,088)	(866,051) ⁸	(43,456)	2,767,447	1.51	41,788	(1,668)	(1,532,184)	3,663,708	41.82	4.182	
Nov 1, 2004 (Case No. 2004-00390)	(1,472,569)		(1,532,184)	3,154,503	41.82	1,319,213	(212,971)	(1,474,237)	16,297,803	9.05	0.905	
Feb 1, 2005 (Case No. 2004-00526)	28,123		(1,474,237)	14,564,142	9.05	1,318,055	(156,182)	(184,848)	12,678,174	1.46	0.146	
May 1, 2005 (Case No. 2005-00143)	510,098	(369,696) ⁹	(184,848)	11,948,228	1.46	174,444	(10,404)	(15,780)	3,087,349	0.51	0.051	
Aug 1, 2005 (Case No. 2005-00274)	(708,364)	(432,909)	(15,780)	3,040,598	0.51	15,507	(273)	(1,151,677)	3,672,564	31.36	3.136	
Nov 1, 2005 (Case No. 2005-00XXX)	197,051							196,778	17,202,685	(1.14)	(0.114)	

1 See Exhibit C-1, page 2.
2 Corresponds with actual applicable sales shown on Exhibit B-1, page 2.
3 Forecasted 3-month period including November 1, 2005 - January 31, 2006
4 Previous value for Case No. 90-158 LL (\$ 617,311) was overstated. The actual value should have been (\$ 209,474). A resulting adjustment of \$407,837 is shown.
5 Final reconciliation of the PBRRC established in Case No. 90-158-KK
6 This amount transferred to Gas Supply Actual Adjustment (Exhibit B-1, page 1 of 6, column 3).
7 This amount represents an over-refund by LG&E from Case No. 2002-00368 of a pipeline supplier refund.
8 Reconciliation of the PBRRC from Case Nos. 2000-080-B, 2000-080-I, and 2002-00261.
9 Previous Total Remaining Under-Recovery in Case No. 2005-00526 of (\$184,848) as shown in Column 10, was erroneously transferred to the Summary Sheet as an Over-Recovery and reflected as a refund factor in calculating the Gas Cost Balance Adjustment for February through April 2005. This adjustment corrects that error.

LOUISVILLE GAS AND ELECTRIC COMPANY

Amount of Over (Under) Recovery - See Exhibit B-1, Page 1	GCAA Case No.		GCAA Case No.		GCAA Case No.		GCAA Case No.		GCAA Case No.	
	2002-00110	2002-00261	2002-00368	2003-00004	2003-00121	2003-00260	2003-00365	2003-00506		
	November 1, 2002	February 1, 2003	May 1, 2003	August 1, 2003	November 1, 2003	February 1, 2004	May 1, 2004	August 1, 2004		
	(\$1,663,557)	(\$1,178,754)	(\$9,690,730)	(\$20,573,284)	\$412,050	\$4,787,214	(\$6,497,890)	\$1,930,547		

Total Monthly	As Pro-Rated for Service Rendered During:			Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	
	Previous	Current	Following							
(1)	(2)	(3)	(4)	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	
November 2003	2,892,739	1,349,623	1,543,116	70,674.71 (3)						
December 2003	5,996,731			274,741.88 (1)						
January 2004	7,002,308	3,711,157	4,094,509	320,705.71 (1)						
February 2004	7,805,666			357,499.50 (1)						
March 2004	5,679,970	2,529,326	5,871	260,142.61 (1)	1,541.03 (3)					
April 2004	2,535,197	672,669	807,024	116,112.02 (1)	181,759.03 (1)					
May 2004	1,479,713			67,770.86 (1)	81,126.30 (1)					
June 2004	1,001,262			45,857.80 (1)	47,350.82 (1)					
July 2004	813,388			32,040.38 (1)	262,831.28 (1)					
August 2004	776,397	334,307	442,090	37,253.17 (1)	26,028.42 (1)	213,514.35 (1)	246,464.95 (3)			
September 2004	836,187			35,558.98 (1)	24,844.70 (1)	203,804.21 (1)	467,289.03 (1)			
October 2004	1,205,172			38,388.95 (1)	26,821.97 (1)	220,023.98 (1)	671,883.33 (1)			
November 2004	2,087,577	954,592	1,132,986	55,196.87 (1)	38,565.50 (1)	316,357.62 (1)	671,989.04 (1)			
December 2004	4,861,196			43,720.31 (2)	66,802.47 (1)	547,989.04 (1)	1,163,824.34 (1)			
January 2005	6,693,093	3,327,102	4,017,715	155,558.28 (1)	127,716.99 (1)	2,710,116.99 (1)	64,931.52 (1)			
February 2005	7,344,817			214,178.96 (1)	1,756,936.78 (1)	3,731,399.07 (1)	75,631.95 (1)			
March 2005	4,514,128			106,467.26 (2)	1,928,014.49 (1)	4,094,735.53 (1)	62,996.43 (1)			
April 2005	2,866,544	641,122	736,359		1,184,958.57 (1)	2,516,626.30 (1)	51,009.65 (1)			
May 2005	1,379,481				752,467.70 (1)	1,598,098.06 (1)	32,391.94 (1)			
June 2005	891,921				166,294.53 (2)	769,060.49 (1)	497,245.96 (1)			
July 2005	793,150					442,181.13 (1)	10,078.71 (1)			
August 2005	793,351	344,017	449,334			191,789.42 (2)	8,962.60 (1)			
September 2005	832,453						9,406.72 (1)			
October 2005	1,030,809	841,907	1,027,625				11,648.14 (1)			
November 2005	1,869,532						9,513.55 (2)			
December 2005	4,359,120						1,127,693.05 (1)			
January 2006	6,317,608	2,859,788	3,014,939				573,224.33 (1)			
February 2006	5,874,728						830,765.47 (1)			
March 2006	5,232,940						1,127,693.05 (1)			
April 2006	2,886,645						934,079.72 (1)			
May 2006	1,725,429	811,705	913,725				1,048,638.86 (1)			
June 2006	924,088						515,623.08 (1)			
July 2006	802,316						144,869.25 (2)			
August 2006	751,741	400,469	351,272				91,447.76 (1)			
Total Amount Billed Under GCAA										
		1,723,623	1,132,568	9,044,642	19,100,715	4,277,116	5,789,526	1,733,496		
Remaining Amount of Over (Under) Recovery		40,066	(46,186)	(646,086)	(1,472,569)	28,123	(708,364)	187,051		

(1) GCAA Times Sales Shown in Column 1.
 (2) GCAA Times Sales Shown in Column 2.
 (3) GCAA Times Sales Shown in Column 3.
 (4) GCAA Times Sales Shown in Column 4.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2005-00XXX

Refund Factors (RF) continuing for twelve months from the effective date of each or until LG&E has discharged its refund obligations thereunder.

The purpose of this adjustment is to pass through refunds received by Louisville Gas and Electric Company ("LG&E") associated with Texas Gas Transmission Corporation.

Since no new refunds have been received, there is no Refund Factor in effect and applicable to gas service rendered for the period November 1, 2005 through January 31, 2006.

	<u>Sale Volumes</u>	<u>Transportation Volumes</u>
Refund Factor Effective August 1, 2005 (a)	\$0.0000/Ccf	\$0.0000/Ccf

- (a) Please note that Louisville Gas and Electric Company's Tariff Sales Volumes receive both the commodity-related and demand-related portion of the Refund Factor. Transportation volumes under the Rate TS receive only the demand-related portion of the Refund Factor

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2005-00xxx
Calculation of Performance Based Rate Recovery Component (PBRRC)**

The purpose of the PBRRC is to collect Louisville Gas and Electric Company's portion of the savings created under the gas supply cost PBR. Pursuant to the gas supply cost PBR mechanism approved in Case No. 2001-00117, the PBRRC established in Case No. 2004-00560 became applicable to gas service rendered on and after February 1, 2005 and will remain in effect until January 31, 2006, after which time a new adjustment level may be implemented. Therefore, as shown in the following table, the PBRRC amount which became effective with gas service rendered on and after February 1, 2005, and will remain in effect until January 31, 2006, is \$0.00618 and \$0.00076 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00542/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00076/Ccf</u>	<u>\$0.00076/Ccf</u>
Total PBRRC	\$0.00618/Ccf	\$0.00076/Ccf

Please note that Louisville Gas and Electric Company's tariff sales volumes receive both the commodity-related and demand-related portion of the PBRRC. Transportation volumes under Rate TS receive only the demand-related portion of the PBRRC.

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
 RENDERED FROM DECEMBER 1, 2005 THROUGH JANUARY 31, 2006**

	RATE PER 100 CUBIC FEET				TOTAL
	CUSTOMER CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
RATE RGS - RESIDENTIAL					
CUSTOMER CHARGE	\$8.50				
ALL CCF		\$0.15470	\$1.31984	0.00514	\$1.47968
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.31984	-0.00051	\$1.46901
OVER 1000 CCF/MONTH		\$0.09968	\$1.31984	-0.00051	\$1.41901
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.31984	-0.00051	\$1.46901
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.31984	-0.00051	\$1.46901
OVER 1000 CCF/MONTH		\$0.09968	\$1.31984	-0.00051	\$1.41901
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.31984	-0.00051	\$1.46901
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.31984	0.00000	\$1.46952
OVER 1000 CCF/MONTH		\$0.09968	\$1.31984	0.00000	\$1.41952
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.31984	0.00000	\$1.46952
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.31984	0.00000	\$1.46952
OVER 1000 CCF/MONTH		\$0.09968	\$1.31984	0.00000	\$1.41952
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.31984	0.00000	\$1.46952
Rate AAGS	\$150.00	\$0.05252	\$1.31984	-0.00051	\$1.37185

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

RENDERED FROM NOVEMBER 1, 2005 THROUGH JANUARY 31, 2006

	<u>RATE PER MCF</u>				
	<u>ADMIN. CHARGE (PER MONTH)</u>	<u>LG&E DIST CHARGE</u>	<u>PIPELINE SUPPLIER'S DEMAND COMPONENT</u>	<u>DSM COST RECOVERY COMPONENT</u>	<u>TOTAL</u>
RATE TS					
RATE CGS - COMMERCIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9082	-0.00510	\$2.3999
OVER 100 MCF/MONTH		\$0.9968	\$0.9082	-0.00510	\$1.8999
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9082	-0.00510	\$2.3999
RATE IGS - INDUSTRIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9082	0.00000	\$2.4050
OVER 100 MCF/MONTH		\$0.9968	\$0.9082	0.00000	\$1.9050
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9082	0.00000	\$2.4050
Rate AAGS	\$90.00	\$0.5252	\$0.9082	-0.00510	\$1.4283

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

(November 1, 2005 Through January 31, 2006)

Transportation Service:

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

Ancillary Services:

Daily Demand Charge	\$0.2172
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3372
Monthly Demand Charge per Mcf of Reserved Balancing Service	\$6.6100
Monthly Balancing Charge per Mcf of Reserved Balancing Service	<u>\$3.6500</u>
	\$10.2600

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

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.

L G & E

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

(November 1, 2005 Through January 31, 2006)

Transportation Service:

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

Ancillary Services:

Daily Demand Charge	\$0.2172
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3372

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

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.
