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JUN 29 2007

**PUBLIC SERVICE
COMMISSION**

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

2007-00267

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
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June 29, 2007



Robert M. Conroy
Manager - Rates
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robert.conroy@eon-us.com

**Re: Louisville Gas and Electric Company -
Gas Supply Clause Effective August 1, 2007**

Dear Ms. O'Donnell:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and four copies of the Thirteenth Revision of Original Sheet No. 70 of LG&E Tariff PSC of Kentucky Gas No. 6 setting forth a Gas Supply Cost Component of 88.221 cents per 100 cubic feet applicable to all gas sold during the period of August 1, 2007 through October 31, 2007. In addition, we file herewith a corresponding number of copies of "Supporting Calculations for the Gas Supply Clause."

Also enclosed herewith is a summary of our gas service rates effective for the period of August 1, 2007 through October 31, 2007.

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

This filing represents expected gas costs for the three-month period August 1, 2007 through October 31, 2007. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on May 1, 2007. These adjustment levels will remain in effect from August 1, 2007 through October 31, 2007.

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
June 29, 2007

We respectfully request your acceptance of this filing which we believe is in full compliance with the provisions of the LG&E Gas Supply Clause approved by the Kentucky Public Service Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Conroy". The signature is stylized with a large, circular flourish at the end.

Robert M. Conroy

Louisville Gas and Electric Company

Fourteenth 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	87.448 ¢	R
Gas Cost Actual Adjustment (GCAA)	4.152	I
Gas Cost Balance Adjustment (GCBA)	(4.989)	R
Performance-Based Rate Recovery Component (PBRRC)	<u>1.610</u>	
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	88.221 ¢	R

Date of Issue: June 29, 2007
Canceling Thirteenth Revision of
Original Sheet No. 70
Issued May 7, 2007

Issued By

Date Effective: August 1, 2007

Kent W. Blake, Vice President,
State Regulation and Rates
Louisville, Kentucky

Issued By Authority of an Order of the KPSC in Case No. 2007-00XXX dated _____

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2007-00XXX

For the Period

August 1, 2007 through October 31, 2007

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After August 1, 2007

2007-00XXXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	29,286,223
Total Expected Customer Deliveries: August 1, 2007 through October 31, 2007	Mcf	3,349,006
Gas Supply Cost Per Mcf	\$/Mcf	8.7448
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	87.448

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

Description	Unit	Amount
Current Quarter Actual Adjustment	Eff. August 1, 2007 (Case No. 2007-00001)	¢/Ccf 3.909
Previous Quarter Actual Adjustment	Eff. May 1, 2007 (Case No. 2006-00431)	¢/Ccf 1.199
2nd Previous Qrt. Actual Adjustment	Eff. February 1, 2007 (Case No. 2006-00335)	¢/Ccf (0.927)
3rd Previous Qrt. Actual Adjustment	Eff. November 1, 2006 (Case No. 2006-00138)	¢/Ccf (0.029)
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	4.152

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

Description	Unit	Amount
Balance Adjustment Amount	\$	1,670,912
Total Expected Customer Deliveries: August 1, 2007 through October 31, 2007	Mcf	3,349,006
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	(0.4989)
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	(4.989)

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Refund Factor Effective:	¢/Ccf	0.000
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	1.610
Total of PBRRC Factors Per 100 Cubic Feet	¢/Ccf	1.610

Gas Supply Cost Component (GSCC) Effective August 1, 2007 through October 31, 2007

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	87.448
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	4.152
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	(4.989)
Refund Factors (RF)	¢/Ccf	0.000
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	1.610
Total Gas Supply Cost Component (GSCC)	¢/Ccf	88.221

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From August 1, 2007 through October 31, 2007

	August	September	October	Total Aug'07 thru Oct'07
MMBtu				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	1,496,396	1,498,124	1,965,440	4,959,960
2. Expected Gas Supply Transported Under Texas' Rate FT	868,000	840,000	868,000	2,576,000
3. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	1,240,000	1,200,000	1,240,000	3,680,000
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	341,000	330,000	341,000	1,012,000
5. Total MMBtu Purchased	3,945,396	3,868,124	4,414,440	12,227,960
6. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	0
7. Less: Injections into Texas Gas' NNS Storage Service	105,586	76,890	60,078	242,554
8. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,839,810	3,791,234	4,354,362	11,985,406
Mcf				
9. Total Purchases in Mcf	3,849,167	3,773,780	4,306,771	
10. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	
11. Less: Injections Texas Gas' NNS Storage Service	103,011	75,015	58,613	
12. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,746,156	3,698,765	4,248,158	
13. Plus: Customer Transportation Volumes under Rate TS	4,098	4,397	4,773	
14. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 12 + Line 13)	3,750,254	3,703,162	4,252,931	
15. Less: Purchases for Depts. Other Than Gas Dept.	65,193	81,591	82,026	
16. Less: Purchases Injected into LG&E's Underground Storage	2,851,231	2,702,892	2,493,688	
17. Mcf Purchases Expensed during Month (Line 12 - Line 15 - Line 16)	829,732	914,282	1,672,444	3,416,458
18. LG&E's Storage Inventory - Beginning of Month	6,351,001	9,167,001	11,835,001	
19. Plus: Storage Injections into LG&E's Underground Storage (Line 16)	2,851,231	2,702,892	2,493,688	
20. LG&E's Storage Inventory - Including Injections	9,202,232	11,869,893	14,328,689	
21. Less: Storage Withdrawals from LG&E's Underground Storage	0	0	0	0
22. Less: Storage Losses	35,231	34,892	38,688	108,811
23. LG&E's Storage Inventory - End of Month	9,167,001	11,835,001	14,290,001	
24. Mcf of Gas Supply Expensed during Month (Line 17 + Line 21 + Line 22)	864,963	949,174	1,711,132	3,525,269
Cost				
25. Total Demand Cost - Including Transportation (Line 14 x Line 46)	\$3,545,865	\$3,501,340	\$4,021,146	
26. Less: Demand Cost Recovered thru Rate TS (Line 13 x Line 46)	3,875	4,157	4,513	
27. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$3,541,990	\$3,497,183	\$4,016,633	
28. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 47)	10,793,654	10,946,642	14,669,258	
29. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 48)	6,191,878	6,070,344	6,407,663	
30. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 3 x Line 49)	8,290,516	8,137,320	8,605,848	
31. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 4 x Line 50)	2,499,632	2,450,184	2,585,701	
32. Total Purchased Gas Cost	\$31,317,670	\$31,101,673	\$36,285,103	\$98,704,446
33. Plus: Withdrawals from NNS Storage (Line 6 x Line 47)	0	0	0	0
34. Less: Purchases Injected into NNS Storage (Line 7 x Line 47)	761,602	561,828	448,398	1,771,828
35. Total Cost of Gas Delivered to LG&E	\$30,556,068	\$30,539,845	\$35,836,705	\$96,932,618
36. Less: Purchases for Depts. Other Than Gas Dept. (Line 15 x Line 51)	531,753	673,681	691,955	1,897,389
37. Less: Purchases Injected into LG&E's Storage (Line 16 x Line 51)	23,256,351	22,317,239	21,036,253	66,609,843
38. Pipeline Deliveries Expensed During Month	\$6,767,964	\$7,548,925	\$14,108,497	\$28,425,386
39. LG&E's Storage Inventory - Beginning of Month	\$48,613,737	\$71,594,930	\$93,636,110	
40. Plus: LG&E Storage Injections (Line 37 above)	23,256,351	22,317,239	21,036,253	
41. LG&E's Storage Inventory - Including Injections	\$71,870,088	\$93,912,169	\$114,672,363	
42. Less: LG&E Storage Withdrawals (Line 21 x Line 52)	0	0	0	\$0
43. Less: LG&E Storage Losses (Line 22 x Line 52)	275,158	276,059	309,620	860,837
44. LG&E's Storage Inventory - End of Month	\$71,594,930	\$93,636,110	\$114,362,743	
45. Gas Supply Expenses (Line 38 + Line 42 + Line 43)	\$7,043,122	\$7,824,984	\$14,418,117	\$29,286,223
Unit Cost				
46. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.9455	\$0.9455	\$0.9455	
47. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$7.2131	\$7.3069	\$7.4636	
48. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$7.1335	\$7.2266	\$7.3821	
49. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$6.6859	\$6.7811	\$6.9402	
50. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$7.3303	\$7.4248	\$7.5827	
51. Average Cost of Deliveries (Line 35 / Line 12)	\$8.1566	\$8.2568	\$8.4358	
52. Average Cost of Inventory - Including Injections (Line 41 / Line 20)	\$7.8101	\$7.9118	\$8.0030	
Gas Supply Cost				
53. Total Expected Mcf Deliveries (Sales) to Customers (August 1, 2007 through October 31, 2007)				3,349,006 Mcf
54. Current Gas Supply Cost (Line 45 / Line 53)				\$8.7448 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From August 1, 2007 through October 31, 2007

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$12.7446	x	119,913	MMBtu) x 12	\$18,338,919
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$6.6332	x	28,000	MMBtu) x 12	2,228,755
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)						10,589,947

ANNUAL DEMAND COSTS

\$35,113,589

Expected Annual Deliveries from Pipeline Transporters
(Including Transportation Under Rate TS) - MMBtu 38,064,609

Expected Annual Deliveries from Pipeline Transporters
(Including Transportation Under Rate TS) - Mcf 37,136,204

AVERAGE DEMAND COST PER MCF

0.9455

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
For The Three-Month Period From August 1, 2007 through October 31, 2007

Pipeline Supplier's Demand Component per Mcf	\$0.9455
Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	0.0000
Performance Based Rate Recovery Component (see Exhibit E)	<u>0.0259</u>
Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation	<u>0.9714</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)	\$79.44
Monthly Charge -> (Annual Charge / 12 Months)	<u>\$6.62</u>

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

(Annual Reserved Balancing Charge / 365 Days) - 100% Load Factor Rate \$0.2176

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2007-00XXX

Gas Supply Cost Effective August 1, 2007

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 January 29, 2007, Texas Gas submitted tariff sheets to the Federal Energy Regulatory Commission ("FERC") in Docket No. RP07-153 to reflect the establishment of a new volumetric surcharge as related to a cash-out adjustment designed to refund an over-collection of cash-out revenues in excess of costs. This Cash-Out Adjustment is a credit of \$0.0001/MMBtu. The other charges remain unaltered from either the rates approved by FERC in Docket No. RP05-317, or the ACA Unit Charge established effective October 1, 2006, Docket No. RP06-516.

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

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 applicable during the period of August 1, 2007 through October 31, 2007 which became effective March 1, 2007. The rates absent the discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.4190/MMBtu (or an equivalent monthly demand charge of \$12.7446/MMBtu) and (b) a commodity charge of \$0.0629/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$12.7446/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0554/MMBtu.

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

Attached hereto as Exhibit A-1 (a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 applicable during the period of August 1, 2007 through October 31, 2007. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges which became effective February 1, 2006. Page 3 contains the tariff sheet which sets forth the commodity charges effective March 1, 2007. The rates absent the discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.3142/MMBtu (or an equivalent monthly demand charge of \$9.5569/MMBtu) and (b) a commodity charge of \$0.0543/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$6.6332/MMBtu and a volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0302/MMBtu during the Winter Season and \$0.0329/MMBtu during the Summer Season.

Tennessee Gas Pipeline Company

On August 31, 2006, TGP filed tariff sheets at the FERC in Docket No. RP06-541 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 on October 1, 2006, the new tariff sheet showing the new ACA funding unit of \$0.0016/MMBtu.

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

Attached hereto as Exhibit A-1 (a), Pages 4 and 5, are the tariff sheets for transportation service under Rate FT-4 applicable during the period of August 1, 2007 through October 31, 2007. Page 4 contains the tariff sheet which sets forth the monthly demand charges effective July 1, 2006. Page 5 contains the tariff sheet which sets forth the commodity charges effective October 1, 2006. 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 \$0.0896/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 \$0.0792/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

The New York Mercantile Exchange (“NYMEX”) natural gas futures prices as of June 27, 2007, are \$7.083/MMBtu for August, \$7.174/MMBtu for September, and \$7.326/MMBtu for October. The NYMEX price has been used as a general price indicator.

Currently, the market for natural gas continues to be influenced by a number of factors, including storage inventory levels, weather-driven demand, oil prices, and hurricane activity. Following the 2006/2007 winter, national gas supply inventories in storage are higher than the historic five-year average, but lower when compared to last year. The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending June 22, 2007, indicated that storage inventory levels were lower than last year’s levels. Storage inventories across the nation are 90 Bcf (2,443 Bcf – 2,533 Bcf), or 4%, lower this year than the same period one year ago. Last year at this time, 2,533 Bcf was held in storage, while this year 2,443 Bcf is held in storage. However, storage inventories across the nation are 372 Bcf (2,443 Bcf – 2,071Bcf), or

18%, higher this year than the five-year average. On average for the last five years at this time, 2,071 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas tend to cause increases in the expected price of natural gas. Oil prices continue to place upward pressure on natural gas prices as oil nears \$70 per barrel. Of course, weather-driven demand (including demand for gas to fire electric generation loads arising from hot weather) and hurricane activity will remain a key driver in establishing the balance of gas supply and demand during the course of the summer season and leading into the winter of 2007/2008. Thus far, neither of these latter two factors has been able to exert strong upward pressure on natural gas prices.

During the three-month period under review, August 1, 2007 through October 31, 2007, LG&E estimates that its total purchases will be 11,985,406 MMBtu. LG&E expects that 4,717,406 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (4,959,960 MMBtu in pipeline deliveries, less 242,554 MMBtu in storage injections; 2,576,000 MMBtu will be met from deliveries under TGT's pipeline service under Rate FT; 3,680,000 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0; and 1,012,000 MMBtu will be met with deliveries from 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 \$6.9430 per MMBtu in August 2007, \$7.0340 in September 2007, and \$7.1860 in October 2007. 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 \$6.9430 per MMBtu in August 2007, \$7.0340 in September 2007, and \$7.1860 in October 2007. 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 \$6.3730 per MMBtu in August 2007, \$6.4640 in September 2007, and \$6.6160 in October 2007, 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 \$7.0430 per MMBtu in August 2007, \$7.1340 in September 2007, and \$7.2860 in October 2007.

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

	ESTIMATED PRICE AS DELIVERED TO TEXAS GAS	RATE NNS RETENTION (TO ZONE 4)	TRANSPORT CHARGE	TOTAL ESTIMATED DELIVERED PRICE
Aug 2007	\$6.9430	3.00%	\$0.0554	\$7.2131
Sept	\$7.0340	3.00%	\$0.0554	\$7.3069
Oct	\$7.1860	3.00%	\$0.0554	\$7.4636

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>
Aug 2007	\$6.9430	2.22%	\$0.0329	\$7.1335
Sept	\$7.0340	2.22%	\$0.0329	\$7.2266
Oct	\$7.1860	2.22%	\$0.0329	\$7.3821

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				
Aug 2007	\$6.3730	4.43%	\$0.0175	\$6.6859
Sept	\$6.4640	4.43%	\$0.0175	\$6.7811
Oct	\$6.6160	4.43%	\$0.0175	\$6.9402

Zone 1

Aug 2007	\$7.0430	3.69%	\$0.0175	\$7.3303
Sept	\$7.1340	3.69%	\$0.0175	\$7.4248
Oct	\$7.2860	3.69%	\$0.0175	\$7.5827

The annual demand billings covering the 12 months from August 1, 2007 through July 31, 2008 for the long-term firm contracts with suppliers are currently expected to be \$10,589,947.

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 August 1, 2007 through October 31, 2007 are set forth on Exhibit A, Page 2.

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

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

Ninth Revised Sheet No. 20
Superseding
Eighth Revised Sheet No. 20

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

	Base Tariff Rates (1)	FERC ACA (2)	Cash Out Adjustment (3)	Currently Effective Rates (4)
Zone SL				
Daily Demand	0.1800			0.1800
Commodity	0.0253	0.0016	(0.0001)	0.0268
Overrun	0.2053	0.0016	(0.0001)	0.2068
Zone 1				
Daily Demand	0.2782			0.2782
Commodity	0.0431	0.0016	(0.0001)	0.0446
Overrun	0.3213	0.0016	(0.0001)	0.3228
Zone 2				
Daily Demand	0.3088			0.3088
Commodity	0.0460	0.0016	(0.0001)	0.0475
Overrun	0.3548	0.0016	(0.0001)	0.3563
Zone 3				
Daily Demand	0.3543			0.3543
Commodity	0.0490	0.0016	(0.0001)	0.0505
Overrun	0.4033	0.0016	(0.0001)	0.4048
Zone 4				
Daily Demand	0.4190			0.4190
Commodity	0.0614	0.0016	(0.0001)	0.0629
Overrun	0.4804	0.0016	(0.0001)	0.4819

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0163
Zone 1 0.0186
Zone 2 0.0223
Zone 3 0.0262
Zone 4 0.0308

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.

For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, the above rates shall be increased to include an incremental transportation charge of:

Daily Demand	\$0.0621
Commodity	\$0.0155
Overrun	\$0.0776

This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.

Issued by: James R. Hendrix, Vice President, Rates
Issued on: January 29, 2007

Effective on: March 1, 2007

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

Eighth Revised Sheet No. 25
Superseding
Seventh Revised Sheet No. 25

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

	Base Tariff Rates (1)	FERC ACA (2)	Cash Out Adjustment (3)	Currently Effective Rates (4)
SL-SL	0.0104	0.0016	(0.0001)	0.0119
SL-1	0.0355	0.0016	(0.0001)	0.0370
SL-2	0.0399	0.0016	(0.0001)	0.0414
SL-3	0.0445	0.0016	(0.0001)	0.0460
SL-4	0.0528	0.0016	(0.0001)	0.0543
1-1	0.0337	0.0016	(0.0001)	0.0352
1-2	0.0385	0.0016	(0.0001)	0.0400
1-3	0.0422	0.0016	(0.0001)	0.0437
1-4	0.0508	0.0016	(0.0001)	0.0523
2-2	0.0323	0.0016	(0.0001)	0.0338
2-3	0.0360	0.0016	(0.0001)	0.0375
2-4	0.0446	0.0016	(0.0001)	0.0461
3-3	0.0312	0.0016	(0.0001)	0.0327
3-4	0.0398	0.0016	(0.0001)	0.0413
4-4	0.0360	0.0016	(0.0001)	0.0375

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

Backhaul rates equal fronthaul rates to zone of delivery.

Note: For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, the above rates shall be increased to include an incremental Commodity charge of \$0.0155. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.

Issued by: James R. Hendrix, Vice President, Rates
Issued on: January 29, 2007

Effective on: March 1, 2007

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

Twenty-Fifth Revised Sheet No. 23
Superseding
Twenty-Fourth 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, 2008 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: May 31, 2006

Effective on: July 1, 2006

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	\$0.0455		\$0.0685	\$0.0896	\$0.0994	\$0.1134	\$0.1247	\$0.1624
L		\$0.0302						
1	\$0.0685		\$0.0588	\$0.0792	\$0.0890	\$0.1030	\$0.1142	\$0.1519
2	\$0.0896		\$0.0792	\$0.0449	\$0.0546	\$0.0697	\$0.0799	\$0.1175
3	\$0.0994		\$0.0890	\$0.0546	\$0.0382	\$0.0679	\$0.0781	\$0.1158
4	\$0.1145		\$0.1041	\$0.0697	\$0.0679	\$0.0417	\$0.0475	\$0.0850
5	\$0.1247		\$0.1142	\$0.0799	\$0.0781	\$0.0475	\$0.0443	\$0.0781
6	\$0.1624		\$0.1519	\$0.1175	\$0.1158	\$0.0850	\$0.0781	\$0.0658

Notes:

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

\$0.0016

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: 2007-00XXX****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 under-recovery from Case Number 2007-00001 during the three-month period of February 2007 through April 30, 2007 was \$13,224,126. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a charge of 3.909¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after August 1, 2007, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from February 2007 through April 2007. [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 2006-00005, with service rendered through July 31, 2007, 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 August 2007.

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

Current Quarter Actual Adjustment:	
Effective August 1, 2007 from 2007-00001	3.909 cents/Ccf
Previous Quarter Actual Adjustment	
Effective May 1, 2007 from 2006-00431	1.199 cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective February 1, 2007 from 2006-00335	(0.927) cents/Ccf
3rd Previous Quarter Actual Adjustment	
Effective November 1, 2006 from 2006-00138	(0.029) cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	4.152 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						
Start Date	End Date	Case	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
					Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries	GCAA Per 100 Cu. Ft. Rendered On
Aug-2002	Oct-2002	(Case No. 2002-00261)	15,907,785	17,086,539	(1,178,754)	36,801,563
Nov-2002	Jan-2003	(Case No. 2002-00368)	97,958,248	107,648,978	(9,690,730)	36,918,853
Feb-2003	Apr-2003	(Case No. 2003-00004)	68,860,317	89,433,601	(20,573,284)	36,900,588
May-2003	Jul-2003	(Case No. 2003-00121)	18,971,902	18,559,852	412,050	36,348,575
Aug-2003	Oct-2003	(Case No. 2003-00260)	25,560,264	20,773,050	4,787,214	36,405,180
Nov-2003	Jan-2004	(Case No. 2003-00385)	110,568,160	117,066,050	(6,497,890)	36,398,609
Feb-2004	Apr-2004	(Case No. 2004-00506)	83,438,486	81,507,939	1,930,547	36,434,958
May-2004	Jul-2004	(Case No. 2004-00117)	19,042,943	21,865,358	(2,822,415)	36,321,555
Aug-2004	Oct-2004	(Case No. 2004-00271)	25,903,070	20,754,205	5,148,865	36,326,312
Nov-2004	Jan-2005	(Case No. 2004-00390)	121,366,510	128,832,748	(7,466,238)	36,421,319
Feb-2005	Apr-2005	(Case No. 2004-00526)	97,013,157	96,350,924	662,233	36,428,002
May-2005	Jul-2005	(Case No. 2005-00143)	31,352,437	29,163,240	2,189,197	35,923,358
Aug-2005	Oct-2005	(Case No. 2005-00274)	26,937,216	45,136,099	(18,198,883)	36,264,049
Nov-2005	Jan-2006	(Case No. 2005-00401)	195,225,843	176,113,181	19,112,662	36,235,391
Feb-2006	Apr-2006	(Case No. 2006-00005)	118,813,736	99,908,070	18,905,666	36,234,450
May-2006	Jul-2006	(Case No. 2006-00138)	25,653,769	25,555,064	98,705	33,519,195
Aug-2006	Oct-2006	(Case No. 2006-00335)	30,851,071	27,737,106	3,113,965	33,575,288
Nov-2006	Jan-2007	(Case No. 2006-00431)	117,566,789	121,616,960	(4,050,171)	33,784,429
Feb-2007	Apr-2007	(Case No. 2007-00001)	96,196,128	109,420,254	(13,224,126)	33,829,123

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation of Gas Costs Recovered
Under Company's Gas Supply Clause

	Monthly Mcf Sales ¹	Nov 1, 2005 Through Nov 30, 2005	Dec 1, 2005 Through Jan 31, 2006	Feb 1, 2006 Through Apr 30, 2006	May 1, 2006 through July 31, 2006	Aug 1, 2006 through Oct 31, 2006	Nov 1, 2006 through Jan 31, 2007	Feb 1, 2007 through Apr 30, 2007
1	1,942,084	914,329						
2	5,196,564	2,488,033	2,608,532					
3	5,536,942		5,536,942					
4	4,705,344		2,311,427	2,393,917				
5	4,164,379			4,164,379				
6	2,693,081			2,693,081				
7	1,335,505			629,507	705,997			
8	795,759				923,191			
9	719,392				795,759			
10	782,784				327,625	391,767		
11	1,188,323					782,784		
12	2,830,660					1,188,323		
13	4,212,884					1,404,555		
14	6,903,906						1,426,105	
15	4,947,897						4,212,884	
16	2,569,206						4,716,686	
17	1,488,291						3,226,318	
18								3,677,588
19								4,947,897
20								2,569,206
21								856,431
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
20	Applicable Mcf Sales During 3 Month Period	3,502,362	10,456,901	9,880,883	2,752,572	3,767,428	13,581,993	12,051,122
21	Gas Supply Clause Case No.	2005-00401	2005-00454	2006-00005	2006-00138	2006-00335	2006-00431	2007-00001
22	Gas Supply Cost Recovered Per Mcf Sold	\$15.3793	\$13.1638	\$12.0028	\$9.2587	\$8.0336	\$8.1687	\$7.5931
23	Dollars of Recovery Under GSC	\$51,863,871	\$137,652,555	\$118,598,260	\$25,485,235	\$30,266,013	\$110,947,227	\$91,505,375
24	Total Dollars Recovered During 3-Month Period		\$191,516,426					
25	Mcf of Customer-Owned Gas Transported Under Rate TS	5180	10,536	15,140	19,251	24,076	24,855	29,958
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period		15,716					
27	Pipeline Suppliers' Demand Component Per Mcf	0.9006	0.9006	0.8923	0.8757	0.8761	0.9534	0.9522
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)		\$14,154	\$13,509	\$16,858	\$21,093	\$23,697	\$28,526
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)		\$610,916	\$201,966	\$151,676	\$563,965	\$431,024	\$410,936
30	Revenues from Off-system Sales		\$3,084,348	0	0	0	\$6,164,842	\$4,251,291
31	Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30)		\$195,225,843	\$118,813,736	\$25,653,769	\$30,851,071	\$117,566,789	\$96,196,128

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 Chrg./Mcf	(4) Seasonal RBS Demand Chrg./Mcf	(5) RBS Demand Chrg./Mcf	(6) Cash-Out Sales (Mcf)	(7) Cash-Out Sales (\$)	(8) MMBTU Adjust. (Mcf)	(9) MMBTU Adjust. (\$)	(10) UCDI Meff	(11) UCDI \$ [(2) x (10)]	(12) Seasonal RBS Meff	(13) Seasonal RBS \$ [(4) x (12)]	(14) RBS Meff	(15) RBS \$ [(5) x (14)]	(16) OFO \$	(17) Monthly \$'s Recovered [(7)+(9)+(11) + (13)+(15)+(16)]
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	\$534,037.61
2005 Mar	2004-00526	0.2189	0	\$6.66	19,117.3	\$162,258.89	1,286.0	\$ 9,399.46	85,737.1	\$18,767.85	0.0	\$0.00	0.00	\$0.00	\$0.00	\$49,810.01
2005 Apr	2004-00526	0.2189	0	\$6.66	18,983.3	\$173,823.38	1,705.0	\$ 13,023.74	85,471.1	\$18,709.62	0.0	\$0.00	0.00	\$0.00	\$0.00	\$190,426.20
2005 May	2005-00143	0.2189	0	\$6.66	14,123.5	\$115,673.41	0	0	65,820.6	\$14,408.13	0.0	\$0.00	0.00	\$0.00	\$0.00	\$205,556.74
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	\$130,081.34
2005 July	2005-00143	0.2189	0	\$6.66	1,352.6	\$11,653.92	2,637.0	\$ 19,476.57	50,242.7	\$10,998.13	0.0	\$0.00	0.00	\$0.00	\$135.41	\$92,948.16
2005 Aug	2005-00274	0.2189	0	\$6.66	8,158.4	\$104,501.98	5,152.0	\$ 59,431.63	35,000.1	\$7,661.82	0.0	\$0.00	0.00	\$0.00	\$0.00	\$42,744.03
2005 Sept	2005-00274	0.2189	0	\$6.66	-	\$360.00	4,601.0	\$ 51,600.23	100,918.2	\$22,090.99	0.0	\$0.00	0.00	\$0.00	\$0.00	\$192,501.86
2005 Oct	2005-00274	0.2189	0	\$6.66	3,275.4	\$59,648.92	5,229.0	\$ 70,272.99	74,024.1	\$16,203.88	0.0	\$0.00	0.00	\$0.00	\$0.00	\$116,599.05
2005 Nov	2005-00401	0.2172	0	\$6.61	9,294.4	\$123,458.59	6,392.0	\$ 71,717.32	89,887.7	\$19,323.61	0.0	\$0.00	0.00	\$0.00	\$0.00	\$146,135.79
2005 Dec	2005-00454	0.2172	0	\$6.61	9,354.0	\$151,830.72	6,808.0	\$ 81,340.64	102,026.5	\$22,160.16	0.0	\$0.00	0.00	\$0.00	\$0.00	\$465,226.70
2006 Jan	2005-00454	0.2172	0	\$6.61	-	\$360.00	10,429.0	\$ 84,683.48	93,838.4	\$20,386.04	0.0	\$0.00	0.00	\$0.00	\$0.00	\$244,154.02
2006 Feb	2006-00005	0.2172	0	\$6.61	438.9	\$4,340.82	3,819.0	\$ 28,454.32	70,958.4	\$15,412.16	0.0	\$0.00	0.00	\$0.00	\$0.00	\$89,386.56
2006 Mar	2006-00005	0.2172	0	\$6.61	6,397.4	\$50,168.91	3,935.0	\$ 28,533.86	61,532.2	\$13,364.79	0.0	\$0.00	0.00	\$0.00	\$0.00	\$201,429.52
2006 Apr	2006-00005	0.2172	0	\$6.61	2,818.6	\$23,627.54	3,042.0	\$ 23,106.61	81,299.7	\$17,658.29	0.0	\$0.00	0.00	\$0.00	\$0.00	\$64,592.44
2006 May	2006-00138	0.2131	0	\$6.48	3,991.8	\$30,063.01	20.0	\$ 131.94	69,915.2	\$14,898.93	0.0	\$0.00	0.00	\$0.00	\$0.00	\$201,966.31
2006 June	2006-00138	0.2131	0	\$6.48	6,964.9	\$52,743.60	-	0	45,127.0	\$9,616.56	0.0	\$0.00	0.00	\$0.00	\$0.00	\$45,093.88
2006 July	2006-00138	0.2131	0	\$6.48	3,961.3	\$30,663.94	22.0	\$ 117.92	63,068.9	\$13,439.98	0.0	\$0.00	0.00	\$0.00	\$0.00	\$62,360.16
2006 Aug	2006-00335	0.2131	0	\$6.48	8,527.8	\$83,962.12	639.0	\$ 5,598.72	83,837.9	\$17,865.86	0.0	\$0.00	0.00	\$0.00	\$0.00	\$151,675.89
2006 Sept	2006-00335	0.2131	0	\$6.48	12,487.2	\$76,440.14	1,423.0	\$ 7,930.73	69,549.7	\$14,821.04	0.0	\$0.00	0.00	\$0.00	\$0.00	\$99,131.91
2006 Oct	2006-00335	0.2131	0	\$6.48	37,260.9	\$330,624.25	203.0	\$ 1,472.93	119,422.2	\$25,448.87	0.0	\$0.00	0.00	\$0.00	\$0.00	\$357,346.05
2006 Nov	2006-00431	0.2176	0	\$6.62	1,701.4	\$14,882.56	1,373.0	\$ 9,722.79	119,184.2	\$25,934.48	0.0	\$0.00	0.00	\$0.00	\$0.00	\$563,964.66
2006 Dec	2006-00431	0.2176	0	\$6.62	4,772.4	\$41,068.57	2,411.0	\$ 15,605.21	135,286.2	\$29,438.28	0.0	\$0.00	0.00	\$0.00	\$0.00	\$91,907.01
2007 Jan	2006-00431	0.2176	0	\$6.62	7,101.8	\$56,638.73	2,067.0	\$ 15,165.86	156,314.4	\$34,014.01	0.0	\$0.00	0.00	\$0.00	\$0.00	\$156,775.48
2007 Feb	2007-00141	0.2176	0	\$6.62	1,055.3	\$12,564.54	1,306.0	\$ 11,591.94	258,951.7	\$56,347.89	0.0	\$0.00	0.00	\$0.00	\$0.00	\$431,023.71
2007 Mar	2007-00141	0.2176	0	\$6.62	-	\$360.00	2,041.0	\$ 14,389.05	123,399.7	\$26,851.77	0.0	\$0.00	0.00	\$0.00	\$0.00	\$41,600.82
2007 Apr	2007-00141	0.2176	0	\$6.62	6,333.4	\$58,474.85	803.0	\$ 6,351.01	188,886.2	\$41,101.64	0.0	\$0.00	0.00	\$0.00	\$0.00	\$155,952.66
																\$410,936.16

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

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

* OFO Charge from September 2005 Credited to customer's account in March 2006 after meter reading error discovered.

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

	MCF										DOLLARS									
	Mcf Purchases	Purchases for OSS	Purchases for Depts. other Than Gas Dept.	Less: Purchases Injected Into Storage	Mcf Withdrawn From Storage	Plus Storage Losses	Mcf Standoff (Gas Dept.)	Purchased Gas Costs	Purchased Gas Costs for OSS	Less: Purchases for Non-Gas Departments	Less: Purchases Injected Into Storage	Cost of Gas Withdrawn From Storage	Plus Storage Losses	Plus Other Gas Purchase Expenses	Total Gas Supply Cost					
May	904,733	0	(52,323)	0	460,254	20,621	1,332,285	9,094,815	0	(525,323)	0	2,952,877	131,403	7,537	11,631,309					
June	1,730,044	475,359	(135,306)	(721,426)	958	21,220	1,711,049	14,177,685	2,973,433	(1,087,946)	(5,921,825)	6,550	145,085	8,065	10,301,047					
July	4,089,736	0	(374,889)	(2,853,448)	958	25,827	888,184	33,560,576	0	(3,073,668)	(23,263,876)	7,183	193,651	7,019	7,236,885					
Total May through July 2005							3,592,518								29,163,240					
August	4,441,772	0	(465,623)	(3,123,913)	0	35,251	887,467	40,807,521	0	(4,525,997)	(28,504,769)	0	282,210	9,506	8,068,471					
September	4,166,470	0	(281,801)	(3,035,970)	32	42,766	891,997	50,442,143	0	(3,611,064)	(36,593,198)	291	389,273	7,989	10,655,434					
October	4,373,525	0	(149,682)	(2,341,863)	433	30,346	1,712,762	67,938,779	0	(2,390,896)	(39,446,155)	4,456	319,924	6,105	26,432,193					
Total August thru October 2005							3,492,226								45,136,099					
November	2,843,627	0	(90,278)	(114,312)	762,039	38,831	3,439,907	35,309,438	0	(1,112,797)	(1,419,755)	7,819,587	398,460	7,494	41,002,428					
December	5,432,487	271,147	(59,599)	(131,579)	1,509,375	36,224	7,058,053	66,638,346	3,079,420	(741,978)	(1,613,580)	15,317,260	372,404	9,585	83,261,458					
January	2,182,703	0	(46,779)	0	2,422,043	33,269	4,591,236	27,180,824	0	(582,099)	0	24,900,055	342,025	8,489	51,849,295					
Total November 2005 thru January 2006							15,089,196								176,113,181					
February	2,562,181	0	(45,805)	0	2,675,013	29,138	5,220,527	23,658,630	0	(422,841)	0	27,300,739	299,556	7,184	51,043,287					
March	1,095,504	0	(85,846)	0	2,769,947	24,262	3,803,867	10,494,771	0	(838,441)	0	28,476,994	249,430	8,680	38,171,434					
April	283,698	0	(120,961)	0	1,316,732	19,159	1,409,028	(2,085,133)	0	(1,165,164)	0	13,556,795	201,078	8,773	10,493,340					
Total February 2006 thru April 2006							10,523,422								99,908,070					
May	690,837	0	(115,117)	0	613,678	20,836	1,212,234	9,559,513	0	(1,365,612)	0	6,308,978	214,207	9,116	14,728,202					
June	2,321,636	0	(282,268)	(1,175,730)	843	22,373	886,834	15,195,314	0	(1,981,610)	(7,622,035)	7,559	200,601	10,036	5,809,364					
July	3,852,321	0	(288,065)	(2,834,969)	(154)	26,981	756,114	25,475,451	0	(2,026,423)	(18,651,545)	(1,213)	212,510	8,238	5,016,998					
Total May 2006 thru July 2006							2,855,182								25,555,064					
August	4,284,485	0	(351,859)	(2,976,908)	263	31,622	987,613	33,571,974	0	(2,860,404)	(23,249,949)	2,066	248,384	8,545	7,720,616					
September	3,659,105	0	(53,153)	(2,710,339)	362	39,097	955,050	20,731,818	0	(296,289)	(13,352,538)	2,662	289,679	7,644	5,382,955					
October	4,836,561	0	(48,327)	(2,408,723)	1,164	37,664	2,420,339	29,153,312	0	(303,062)	(14,500,987)	8,297	268,475	7,502	14,633,535					
Total August thru October 2006							4,343,002								27,737,106					
November	3,016,536	149,326	(45,337)	(185,732)	673,650	38,502	3,646,985	26,430,816	1,069,124	(368,805)	(1,634,367)	4,816,395	275,278	6,750	30,595,171					
December	2,895,879	0	(78,685)	(104,939)	2,153,807	35,346	4,901,588	27,955,307	0	(466,613)	(1,013,400)	15,440,427	254,826	8,949	42,179,696					
January	3,251,228	743,263	(61,689)	0	2,813,340	27,026	6,353,168	24,379,913	4,342,511	(251,722)	0	20,168,553	193,747	9,091	48,842,093					
Total November 2006 thru January 2007							15,301,721								121,616,960					
February	4,431,420	569,422	(38,257)	(22,275)	2,904,151	27,239	7,871,700	37,145,995	3,994,833	(320,441)	(186,718)	20,828,281	195,355	8,654	61,665,960					
March	1,311,359	0	(42,084)	(2,128)	1,641,479	22,896	3,131,522	15,231,795	0	(404,183)	(21,466)	11,774,329	164,233	9,751	26,754,457					
April	1,409,997	0	(177,667)	(95)	1,423,692	20,115	2,677,842	12,146,435	0	(1,322,619)	(819)	10,225,197	144,287	7,357	20,939,837					
Total February 2007 thru April 2007							13,681,064								109,420,254					

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2007-00XXX

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 given back under the Gas Cost Balance Adjustment (GCBA) during the period of August 1, 2007 through October 31, 2007, set forth on Page 1 of Exhibit C-1 is \$1,670,912. The GCBA factor required to give back this over-recovery is a credit of 4.989¢ per 100 cubic feet. LG&E will place this credit into effect with service rendered on and after August 1, 2007 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2007-00141, which, with service rendered through July 31, 2007, will have been in effect for three months. Any over- or under-recovery of the amount originally established will be transferred to the GCBA which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after November 1, 2007.

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) Implemented for Three-Month Period With Service Rendered On and After:	(2) Remaining Over (Under) Recovery From GCAA ¹	(3) Amt. Transferred From Refund Factor & PBRRC	(4) GCBA From Second Preceding 3 Mo. Period	(5) Applicable Sales During 3 Mo. Period ² (mcf)	(6) GCBA Factor From Second Preceding 3 Mo. Period (cents/mcf)	(7) Recovery Under GCBA	(8) Remaining Over (Under) Recovery	(9) Deferred Amounts (\$)	(10) Total Remaining Over (Under) Recovery (\$)	(11) Expected Sales For 3 Mo. Period (mcf)	(12) GCBA (cents/mcf)	(13) GCBA (cents/mcf)
	(\$)	(\$)	(\$)	(mcf)	(cents/mcf)	(\$)	(\$)	(\$)	(2 + 3 + 8 + 9)	(mcf)	(cents/mcf)	(cents/mcf)
February 1, 2003 (Case No. 2003-00004)	398,606		(28,264)	3,668,145	0.71	26,044	(2,220)	396,386	13,009,658		(3.05)	(0.305)
May 1, 2003 (Case No. 2003-00121)	97,787		2,632,422	18,255,311	(14.80)	(2,702,631)	(70,209)	27,578	3,519,058		(0.78)	(0.078)
August 1, 2003 (Case No. 2003-00260)	19,949		396,386	12,976,494	(3.05)	(395,783)	603	20,552	3,691,785		(0.56)	(0.056)
November 1, 2003 (Case No. 2003-00385)	35,085		27,578	2,961,852	(0.78)	(23,102)	4,476	39,561	17,166,186		(0.23)	(0.023)
February 1, 2004 (Case No. 2004-00506)	40,066	(970)	20,552	3,440,040	(0.56)	(19,608)	944	40,040	12,672,184		(0.32)	(0.032)
May 1, 2004 (Case No. 2004-00117)	(46,186)		39,561	16,014,377	(0.23)	(36,833)	2,728	(43,458)	2,869,986		1.51	0.151
August 1, 2004 (Case No. 2004-00271)	(648,088)	(886,051) ³	40,481	12,039,509	(0.32)	(38,526)	1,955	(1,532,184)	3,663,708		4.182	4.182
November 1, 2004 (Case No. 2004-00390)	(1,472,569)		(43,456)	2,767,447	1.51	41,788	(1,668)	(1,474,237)	16,297,803		9.05	9.05
February 1, 2005 (Case No. 2004-00526)	28,123		(1,532,184)	3,154,503	41.82	1,319,213	(212,971)	(184,848)	12,678,174		1.46	0.146
May 1, 2005 (Case No. 2005-00143)	510,098	(369,696) ⁶	(1,474,237)	14,564,142	9.05	1,318,055	(156,182)	(15,780)	3,087,349		0.51	0.051
August 1, 2005 (Case No. 2005-00274)	(708,364)	(432,909) ⁷	(184,848)	11,948,228	1.46	174,444	(10,404)	(1,151,677)	17,202,685		(1.14)	(0.114)
November 1, 2005 (Case No. 2005-00401)	197,051		(15,780)	3,040,598	0.51	15,507	(273)	196,778	12,384,154		4.05	4.05
February 1, 2006 (Case No. 2006-00005)	(292,650)		(1,151,677)	3,005,143	31.36	942,413	(209,264)	658,193	3,143,460		(20.94)	(2.094)
May 1, 2006 (Case No. 2006-00138)	621,092		196,778	13,959,263	(1.14)	(159,677)	37,101	(1,808,410)	15,898,032		48.14	48.14
August 1, 2006 (Case No. 2006-00335)	(1,339,631)	(270,087) ⁸	(501,914)	7,486,966	4.05	303,222	(198,692)	205,356	11,775,388 ⁹		(1.29)	(0.129)
November 1, 2006 (Case No. 2006-00431)	123,552		658,193	2,752,572	(20.94)	(576,389)	81,804	442,448	2,901,342		(3.76)	(0.376)
February 1, 2007 (Case No. 2007-00001)	340,264		(1,711,456) ⁹	3,767,428	48.14	1,813,640	102,184	(3,123,326)	3,349,006		107.65	107.65
May 1, 2007 (Case No. 2007-00141)	(3,153,475)		205,356	13,581,993	(1.29)	(175,208)	39,149	1,670,912			(49.89)	(4.989)
August 1, 2007 (Case No. 2007-00XXX)	2,151,894	(470,308) ¹⁰	442,448	12,051,122	(3.76)	(453,122)	(10,674)					

1 See Exhibit C-1, page 2.
2 Corresponds with actual applicable sales shown on Exhibit B-1, page 2.
3 For The Three-Month Period From August 1, 2007 through October 31, 2007.
4 This amount represents an over-refund by LG&E from Case No. 2002-00368 of a pipeline supplier refund.
5 Reconciliation of the PBRCC from Case Nos. 2000-080-B, 2000-080-I, and 2002-00261.
6 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.
7 Reconciliation of the PBRCC from previous twelve months.
8 Reconciliation of the PBRCC from previous twelve months.
9 Correction of Total Remaining Over(Under) Recovery (Col. 10) for August 1, 2006. Applicable Sales used in this calculation should have been 9,880,883 Mcf, instead of 7,486,966 Mcf, resulting in a Total Remaining Over(Under) Recovery of (\$1,711,456), instead of (\$1,808,410).
10 Reconciliation of the PBRCC from previous twelve months.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2007-00XXX

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 the current Refund Factor will expire July 31, 2007, and no new refunds have been received, there will be no Refund Factor in effect and applicable to gas service rendered for the period August 1, 2007 through October 31, 2007.

	<u>Sale Volumes</u>	<u>Transportation Volumes</u>
Refund Factor Effective August 1, 2007(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: 2007-00xxx
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. 2006-00005, became applicable to gas service rendered on and after February 1, 2006 and will remain in effect until January 31, 2007, after which time a new adjustment level may be implemented. Therefore, as shown in the following table, the PBRRC amount which will become effective with gas service rendered on and after February 1, 2007, and will remain in effect until January 31, 2008, is \$0.01610 and \$0.00259 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.01351/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00259/Ccf</u>	<u>\$0.00259/Ccf</u>
Total PBRRC	\$0.01610/Ccf	\$0.00259/Ccf

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

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2007-00XXX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2007

	<u>CSPBR Related to Commodity</u>	<u>CSPBR Related to Demand</u>
Shareholder Portion of PBR	\$4,535,766	\$873,615
Expected Mcf Sales for the 12 month period beginning February 1, 2007	33,575,288	33,707,441
PBRRC factor per Mcf	\$0.1351	\$0.0259
PBRRC factor per Ccf	\$0.01351	\$0.00259

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2007-00XXX
Shareholder Portion of PBR Savings
PBR Year 9

Split between Demand (Fixed) and Commodity (Volumetric) Components
As Determined in LG&E's Fourth Quarterly PBR Filing

	<u>Commodity</u>	<u>Demand</u>	<u>Total</u>
Company Share of PBR Savings or (Expenses) (CSPBR)	\$4,535,766	\$873,615	\$5,409,381

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM**

August 1, 2007 through October 31, 2007

RATE PER 100 CUBIC FEET

	<u>CUSTOMER CHARGE (PER MONTH)</u>	<u>DISTRIBUTION COST COMPONENT</u>	<u>GAS SUPPLY COST COMPONENT (GSCC)</u>	<u>DSM COST RECOVERY COMPONENT</u>	<u>TOTAL</u>
RATE RGS - RESIDENTIAL					
CUSTOMER CHARGE	\$8.50				
ALL CCF		\$0.15470	\$0.88221	0.00736	\$1.04427
RATE CGS - COMMERCI. (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.88221	-0.00009	\$1.03180
OVER 1000 CCF/MONTH		\$0.09968	\$0.88221	-0.00009	\$0.98180
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.88221	-0.00009	\$1.03180
RATE CGS - COMMERCI. (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.88221	-0.00009	\$1.03180
OVER 1000 CCF/MONTH		\$0.09968	\$0.88221	-0.00009	\$0.98180
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.88221	-0.00009	\$1.03180
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.88221	0.00000	\$1.03189
OVER 1000 CCF/MONTH		\$0.09968	\$0.88221	0.00000	\$0.98189
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.88221	0.00000	\$1.03189
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.88221	0.00000	\$1.03189
OVER 1000 CCF/MONTH		\$0.09968	\$0.88221	0.00000	\$0.98189
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.88221	0.00000	\$1.03189
Rate AAGS	\$150.00	\$0.05252	\$0.88221	-0.00009	\$0.93464

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
August 1, 2007 through October 31, 2007**

	<u>RATE PER MCF</u>				<u>TOTAL</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>	
RATE TS					
RATE CGS - COMMERCIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9714	-0.00009	\$2.4681
OVER 100 MCF/MONTH		\$0.9968	\$0.9714	-0.00009	\$1.9681
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9714	-0.00009	\$2.4681
RATE IGS - INDUSTRIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9714	0.00000	\$2.4682
OVER 100 MCF/MONTH		\$0.9968	\$0.9714	0.00000	\$1.9682
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9714	0.00000	\$2.4682
Rate AAGS	\$90.00	\$0.5252	\$0.9714	-0.00009	\$1.4965

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

August 1, 2007 through October 31, 2007

Transportation Service:

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

Ancillary Services:

Daily Demand Charge	\$0.2176
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3376
Monthly Demand Charge per Mcf of Reserved Balancing Service	\$6.6200
Monthly Balancing Charge per Mcf of Reserved Balancing Service	<u>\$3.6500</u>
	\$10.2700

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)**

August 1, 2007 through October 31, 2007

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	\$0.2176
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3376

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.
