



Case No: 2008-00246

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COMMISSION

Stephanie L. Stumbo, Executive Director  
Public Service Commission of Kentucky  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40601

Louisville Gas and  
Electric Company  
State Regulation and Rates  
220 West Main Street  
PO Box 32010  
Louisville, Kentucky 40232  
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June 30, 2008

Robert M. Conroy  
Director - Rates  
T 502-627-3324  
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Re: ***Louisville Gas and Electric Company -  
Gas Supply Clause Effective August 1, 2008***

Dear Ms. Stumbo:

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 Eighteenth Revision of Original Sheet No. 70 of LG&E Tariff PSC of Kentucky Gas No. 6 setting forth a Gas Supply Cost Component of 163.725 cents per 100 cubic feet applicable to all gas sold during the period of August 1, 2008 through October 31, 2008. 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, 2008 through October 31, 2008.

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, 2008 through October 31, 2008. 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, 2008. These adjustment levels will remain in effect from August 1, 2008 through October 31, 2008.

Stephanie L. Stumbo, Executive Director  
Public Service Commission of Kentucky  
June 30, 2008

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", written over a horizontal line.

Robert M. Conroy

**Louisville Gas and Electric Company**

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

<b>STANDARD RATE SCHEDULE</b>	<b>GSC</b>
<b>Gas Supply Clause</b>	
<b>APPLICATION TO</b>	
All gas sold.	
<b>GAS SUPPLY COST COMPONENT (GSCC)</b>	
Gas Supply Cost	156.996 ¢
Gas Cost Actual Adjustment (GCAA)	4.703
Gas Cost Balance Adjustment (GCBA)	1.242
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:	
Refund Factor Effective August 1, 2006	0.000
Performance-Base Rate Recovery Component (PBRRC)	<u>0.784</u>
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	163.725 ¢

Date of Issue: June 30, 2008  
 Canceling Seventeenth Revision of  
 Original Sheet No. 70  
 Issued May 9, 2008

Issued By

Date Effective: August 1, 2008

Lonnie E. Bellar, Vice President  
 State Regulation and Rates  
 Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2008-00xxx dated \_\_\_\_\_

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Supporting Calculations For The**

**Gas Supply Clause**

**2008-00XXX**

**For the Period**

**August 1, 2008 through October 31, 2008**

## LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to  
Service Rendered On and After August 1, 2008

2008-00XXX

## Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	57,807,808
Total Expected Customer Deliveries: August 1, 2008 through October 31, 2008	Mcf	3,682,115
Gas Supply Cost Per Mcf	\$/Mcf	15.6996
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	156.996

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

Description	Unit	Amount
Current Quarter Actual Adjustment Eff. August 1, 2008 (Case No. 2007-00559)	¢/Ccf	5.053
Previous Quarter Actual Adjustment Eff. May 1, 2008 (Case No. 2007-00428)	¢/Ccf	2.293
2nd Previous Qrt. Actual Adjustment Eff. February 1, 2008 (Case No. 2007-00267)	¢/Ccf	(1.502)
3rd Previous Qrt. Actual Adjustment Eff. November 1, 2007 (Case No. 2007-00141)	¢/Ccf	(1.141)
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	4.703

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

Description	Unit	Amount
Balance Adjustment Amount	\$	(457,436)
Total Expected Customer Deliveries: August 1, 2008 through October 31, 2008	Mcf	3,682,115
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	0.1242
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	1.242

## 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 (PBRR) - See Exhibit E for Detail

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	0.784
Total of PBRR Factors Per 100 Cubic Feet	¢/Ccf	0.784

## Gas Supply Cost Component (GSCC) Effective August 1, 2008 through October 31, 2008

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	156.996
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	4.703
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	1.242
Refund Factors (RF)	¢/Ccf	0.000
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	0.784
Total Gas Supply Cost Component (GSCC)	¢/Ccf	163.725

LOUISVILLE GAS AND ELECTRIC COMPANY  
Calculation of Gas Supply Costs  
For The Three-Month Period From August 1, 2008 through October 31, 2008

	August	September	October	Total Aug'08 thru Oct'08
<b>MMBtu</b>				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	1,513,110	1,541,287	2,084,200	5,138,597
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	3,962,110	3,911,287	4,533,200	12,406,597
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)	3,856,524	3,834,397	4,473,122	12,164,043
<b>Mcf</b>				
9. Total Purchases in Mcf	3,865,473	3,815,890	4,422,634	
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)	3,762,462	3,740,875	4,364,021	
13. Plus: Customer Transportation Volumes under Rate TS	9,912	10,484	10,618	
14. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 12 + Line 13)	3,772,374	3,751,359	4,374,639	
15. Less: Purchases for Depts. Other Than Gas Dept.	0	428	20	
16. Less: Purchases Injected into LG&E's Underground Storage	2,897,885	2,753,085	2,445,828	
17. Mcf Purchases Expensed during Month (Line 12 - Line 15 - Line 16)	864,577	987,362	1,918,173	3,770,112
18. LG&E's Storage Inventory - Beginning of Month	6,323,501	9,189,501	11,907,501	
19. Plus: Storage Injections into LG&E's Underground Storage (Line 16)	2,897,885	2,753,085	2,445,828	
20. LG&E's Storage Inventory - Including Injections	9,221,386	11,942,586	14,353,329	
21. Less: Storage Withdrawals from LG&E's Underground Storage	0	0	0	0
22. Less: Storage Losses	31,885	35,085	38,828	105,798
23. LG&E's Storage Inventory - End of Month	9,189,501	11,907,501	14,314,501	
24. Mcf of Gas Supply Expensed during Month (Line 17 + Line 21 + Line 22)	896,462	1,022,447	1,957,001	3,875,910
<b>Cost</b>				
25. Total Demand Cost - Including Transportation (Line 14 x Line 46)	\$3,639,586	\$3,619,311	\$4,220,652	
26. Less: Demand Cost Recovered thru Rate TS (Line 13 x Line 46)	9,563	10,115	10,244	
27. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$3,630,023	\$3,609,196	\$4,210,408	
28. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 47)	20,502,792	20,986,318	28,556,875	
29. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 48)	11,650,990	11,330,088	11,781,451	
30. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 3 x Line 49)	16,886,320	16,422,000	17,077,032	
31. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 4 x Line 50)	4,661,197	4,532,781	4,713,268	
32. Total Purchased Gas Cost	\$57,331,322	\$56,880,383	\$66,339,034	\$180,550,739
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)	1,430,701	1,046,942	823,165	3,300,808
35. Total Cost of Gas Delivered to LG&E	\$55,900,621	\$55,833,441	\$65,515,869	\$177,249,931
36. Less: Purchases for Depts. Other Than Gas Dept. (Line 15 x Line 51)	0	6,388	300	6,688
37. Less: Purchases Injected into LG&E's Storage (Line 16 x Line 51)	43,055,326	41,090,344	36,718,482	120,864,152
38. Pipeline Deliveries Expensed During Month	\$12,845,295	\$14,736,709	\$28,797,087	\$56,379,091
39. LG&E's Storage Inventory - Beginning of Month	\$77,942,209	\$120,579,159	\$161,194,550	
40. Plus: LG&E Storage Injections (Line 37 above)	43,055,326	41,090,344	36,718,482	
41. LG&E's Storage Inventory - Including Injections	\$120,997,535	\$161,669,503	\$197,913,032	
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)	418,376	474,953	535,388	1,428,717
44. LG&E's Storage Inventory - End of Month	\$120,579,159	\$161,194,550	\$197,377,644	
45. Gas Supply Expenses (Line 38 + Line 42 + Line 43)	\$13,263,671	\$15,211,662	\$29,332,475	\$57,807,808
<b>Unit Cost</b>				
46. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.9648	\$0.9648	\$0.9648	
47. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$13.5501	\$13.6161	\$13.7016	
48. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$13.4228	\$13.4882	\$13.5731	
49. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$13.6180	\$13.6850	\$13.7718	
50. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$13.6692	\$13.7357	\$13.8219	
51. Average Cost of Deliveries (Line 35 / Line 12)	\$14.8575	\$14.9252	\$15.0127	
52. Average Cost of Inventory - Including Injections (Line 41 / Line 20)	\$13.1214	\$13.5372	\$13.7887	
<b>Gas Supply Cost</b>				
53. Total Expected Mcf Deliveries (Sales) to Customers (August 1, 2008 through October 31, 2008)				3,682,115 Mcf
54. Current Gas Supply Cost (Line 45 / Line 53)				\$15.6996 / Mcf

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**Calculation Of The Average Demand Cost Per Mcf Applicable To**  
**For The Three-Month Period From August 1, 2008 through October 31, 2008**

<b>Demand Billings:</b>					
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)					9,594,948

<b>ANNUAL DEMAND COSTS</b>	<u><u>\$34,118,590</u></u>
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<b>Expected Annual Deliveries from Pipeline Transporters</b> (Including Transportation Under Rate TS) -	<b>MMBtu</b>	36,245,917
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<b>Expected Annual Deliveries from Pipeline Transporters</b> (Including Transportation Under Rate TS) -	<b>Mcf</b>	35,361,870
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<b>AVERAGE DEMAND COST PER MCF</b>	<u><u>0.9648</u></u>
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**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, 2008 through October 31, 2008**

Pipeline Supplier's Demand Component per Mcf	\$0.9648
Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	0.0000
Performance Based Rate Recovery Component (see Exhibit E)	<u>0.0099</u>
Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation	<u><u>0.9747</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
<u>Reserved Balancing Service Charge (per Mcf Reserved):</u>	
Annual Charge -> (Annual Demand Costs / Design Day Requirements)	\$77.19
Monthly Charge -> (Annual Charge / 12 Months)	<u><u>\$6.43</u></u>
<u>Daily Utilization Charge (per Mcf of Non-Reserved Balancing):</u>	
(Annual Reserved Balancing Charge / 365 Days) - 100% Load Factor Rate	<u><u>\$0.2115</u></u>

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2008-00XXX

Gas Supply Cost Effective August 1, 2008

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 December 14, 2007, (with subsequent errata filings on December 17 and December 18, 2007) TGT submitted tariff sheets to the Federal Energy Regulatory Commission ("FERC") in Docket RP08-120 to remove the cash-out adjustment credit because the refund of earlier over-recoveries has been completed. All other rates otherwise applicable to LG&E remain unchanged from those submitted by TGT to FERC on August 8, 2007, in Docket No. RP07-566 reflecting the establishment of a new ACA Unit Charge of \$0.0019/MMBtu as determined by FERC and recoverable by TGT pursuant to the General Terms and Conditions of its FERC Gas Tariff. TGT's other tariff charges remain unaltered from the rates approved by FERC in Docket No. RP05-317.

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, 2008 through October 31, 2008 which became effective January 1, 2008. 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 \$0.0633/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, 2008 through October 31, 2008. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges which became effective January 1, 2008. Page 3 contains the tariff sheet which sets forth the commodity charges effective January 1, 2008. 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 \$0.0547/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 May 30, 2008, TGPL filed tariff sheets at the FERC in Docket Nos. RP91-203 and RP92-132 to extend the PCB adjustment period as provided for in the associated Settlement. The rates otherwise applicable to LG&E remain unchanged from those submitted by TGPL to FERC on August 30, 2007, in Docket No. RP07-640 to reflect the establishment of a new ACA Unit Charge of \$0.0019/MMBtu effective October 1, 2007 and as determined by FERC and recoverable by TGPL pursuant to the General Terms and Conditions of its FERC Gas Tariff.

#### 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, 2008 through October 31, 2008. 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, 2007. 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 \$0.0899/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 \$0.0795/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, 2008, are \$13.198/MMBtu for August, \$13.262/MMBtu for September, and \$13.345/MMBtu for October. The NYMEX price has been used as a general price indicator.

The wholesale natural gas market is not price-regulated and is subject to the forces of supply and demand, as well as psychological factors that can affect the market. Among the forces affecting the price of natural gas are:

- National gas storage inventories are more than 15% lower than at the same time last year<sup>1</sup>;
- Other commodity prices, including the prices of alternate forms of energy such as oil, have increased and are continuing to increase, with the price of oil at more than \$135 per barrel;
- International competition for energy, including LNG, is robust, and the U.S. natural gas market is no longer a domestic market;
- LNG supplies which could have provided marginal supplies to the U.S. market are moving to overseas markets which are commanding prices even higher than those in the U.S.;
- The U.S. has increased reliance upon gas-fired electric generation facilities, and a warmer-than-normal summer could divert gas supplies from storage;
- National restrictions on access to potential new gas supply sources have closed or limited certain areas to exploration for new gas supplies;
- Despite increases in gas reserves, new pipeline infrastructure to bring new gas supply to market is lagging demand; and
- The 2008 hurricane season is predicted to be above average, and a potential supply disruption could adversely impact supply availability.

During the three-month period under review, August 1, 2008 through October 31, 2008, LG&E estimates that its total purchases will be 12,164,043 MMBtu. LG&E expects that 4,896,043 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (5,138,597 MMBtu in pipeline deliveries less 242,544 MMBtu in net 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 \$13.0980 per MMBtu in August 2008, \$13.1620 in September 2008, and \$13.2450 in October 2008. 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 \$13.0980 per MMBtu in August 2008, \$13.1620 in September 2008, and \$13.2450 in October 2008. 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 \$12.9980 per MMBtu in August 2008, \$13.0620 in September 2008, and \$13.1450 in October 2008, and the average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL from its Zone 1 is

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<sup>1</sup> The weekly gas storage survey issued by the Energy Information Administration ("EIA") for the week ending June 20, 2008, indicated that storage inventory levels were lower than last year's levels. Storage inventories across the nation are 382 Bcf (2,033 Bcf – 2,415 Bcf), or 16%, lower this year than the same period one year ago. Last year at this time, 2,415 Bcf was held in storage, while this year 2,033 Bcf is held in storage. Storage inventories across the nation are 56 Bcf (2,033 Bcf – 2,089 Bcf), or 3%, lower this year than the five-year average. On average for the last five years at this time, 2,089 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 tend to cause increases in the expected price of natural gas.

expected to be \$13.1480 per MMBtu in August 2008, \$13.2120 in September 2008, and \$13.2950 in October 2008.

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>
Aug 2008	\$13.0980	2.94%	\$0.0554	\$13.5501
Sep	\$13.1620	2.94%	\$0.0554	\$13.6161
Oct 2008	\$13.2450	2.94%	\$0.0554	\$13.7016

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 2008	\$13.0980	2.18%	\$0.0329	\$13.4228
Sep	\$13.1620	2.18%	\$0.0329	\$13.4882
Oct 2008	\$13.2450	2.18%	\$0.0329	\$13.5731

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 2008	\$12.9980	4.43%	\$0.0175	\$13.6180
Sep	\$13.0620	4.43%	\$0.0175	\$13.6850
Oct 2008	\$13.1450	4.43%	\$0.0175	\$13.7718

Zone 1

Aug 2008	\$13.1480	3.69%	\$0.0175	\$13.6692
Sep	\$13.2120	3.69%	\$0.0175	\$13.7357
Oct 2008	\$13.2950	3.69%	\$0.0175	\$13.8219

The annual demand billings covering the 12 months from August 1, 2008 through July 31, 2009 for the firm contracts with natural gas suppliers are currently expected to be \$9,594,948.

**Rate FT, Rider RBS, and Rate PS**

The demand-related supply costs applicable to the Daily Utilization Charge under Rates FT and PS-FT, and the Reserved Balancing Service under Rider RBS, applicable during the three-month period of August 1, 2008 through October 31, 2008 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

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
<b>Zone SL</b>			
Daily Demand	0.1800		0.1800
Commodity	0.0253	0.0019	0.0272
Overrun	0.2053	0.0019	0.2072
<b>Zone 1</b>			
Daily Demand	0.2782		0.2782
Commodity	0.0431	0.0019	0.0450
Overrun	0.3213	0.0019	0.3232
<b>Zone 2</b>			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0019	0.0479
Overrun	0.3548	0.0019	0.3567
<b>Zone 3</b>			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0019	0.0509
Overrun	0.4033	0.0019	0.4052
<b>Zone 4</b>			
Daily Demand	0.4190		0.4190
Commodity	0.0614	0.0019	0.0633
Overrun	0.4804	0.0019	0.4823

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

Notes:

- 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.

- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas the above rates shall be increased to include an incremental transportation charge of:

Daily Demand	\$0.1288
Commodity	\$0.0068
Overrun	\$0.1356

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

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

Sixth Revised Sheet No. 24

Superseding

Substitute Fifth Revised Sheet No. 24

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

	Currently Effective Rates [1]
SL-SL	0.0794
SL-1	0.1552
SL-2	0.2120
SL-3	0.2494
SL-4	0.3142
1-1	0.1252
1-2	0.1820
1-3	0.2194
1-4	0.2842
2-2	0.1332
2-3	0.1705
2-4	0.2334
3-3	0.1181
3-4	0.1810
4-4	0.1374

Minimum Rates: Demand \$-0-

Backhaul rates equal fronthaul rates to zone of delivery.

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

Notes:

- 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 Daily Demand charge of \$0.0621. 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.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas the above rates shall be increased to include an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Issued by: J. Kyle Stephens, VP, Regulatory Affairs and Rates

Issued on: November 30, 2007

Effective on: January 1, 2008

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

Substitute Eleventh Revised Sheet No. 25  
 Superseding  
 Tenth 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	0.0104	0.0019	0.0123
SL-1	0.0355	0.0019	0.0374
SL-2	0.0399	0.0019	0.0418
SL-3	0.0445	0.0019	0.0464
SL-4	0.0528	0.0019	0.0547
1-1	0.0337	0.0019	0.0356
1-2	0.0385	0.0019	0.0404
1-3	0.0422	0.0019	0.0441
1-4	0.0508	0.0019	0.0527
2-2	0.0323	0.0019	0.0342
2-3	0.0360	0.0019	0.0379
2-4	0.0446	0.0019	0.0465
3-3	0.0312	0.0019	0.0331
3-4	0.0398	0.0019	0.0417
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.

Notes:

- 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.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas the above rates shall be increased to include an incremental Commodity charge of \$0.0068. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Issued by: J. Kyle Stephens, VP, Regulatory Affairs and Rates

Issued on: December 18, 2007

Effective on: January 1, 2008

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, 2010 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: Patrick A. Johnson, Vice President

Issued on: May 30, 2008

Effective on: July 1, 2008



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	\$0.0458		\$0.0688	\$0.0899	\$0.0997	\$0.1137	\$0.1250	\$0.1627
L		\$0.0305						
1	\$0.0688		\$0.0591	\$0.0795	\$0.0893	\$0.1033	\$0.1145	\$0.1522
2	\$0.0899		\$0.0795	\$0.0452	\$0.0549	\$0.0700	\$0.0802	\$0.1178
3	\$0.0997		\$0.0893	\$0.0549	\$0.0385	\$0.0682	\$0.0784	\$0.1161
4	\$0.1148		\$0.1044	\$0.0700	\$0.0682	\$0.0420	\$0.0478	\$0.0853
5	\$0.1250		\$0.1145	\$0.0802	\$0.0784	\$0.0478	\$0.0446	\$0.0784
6	\$0.1627		\$0.1522	\$0.1178	\$0.1161	\$0.0853	\$0.0784	\$0.0661

Notes:

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

\$0.0019

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: 2008-00XXX****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 2007-00559 during the three-month period of February 1, 2008 through April 30, 2008 was \$16,330,427. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a charge of 5.053¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after August 1, 2008, 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 2008 through April 2008. [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 2007-00001, with service rendered through July 31, 2008, 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 November 2008.

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

Current Quarter Actual Adjustment:	
Effective August 1, 2008 from 2007-00559	5.053 cents/Ccf
Previous Quarter Actual Adjustment	
Effective May 1, 2008 from 2007-00428	2.293 cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective February 1, 2008 from 2007-00267	(1.502) cents/Ccf
3rd Previous Quarter Actual Adjustment	
Effective November 1, 2007 from 2007-00141	(1.141) cents/Ccf
<b>Total Gas Cost Actual Adjustment (GCAA)</b>	<b>4.703 cents/Ccf</b>

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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

(1) Start Date	End Date	Case	(2) Cost Recovery Under GSC Compared to Actual Gas Supply Costs		(3) Over Or (Under) Recovery (1) - (2)	(4) Expected Mcf Sales for 12- Month Period From Date Implemented	(5) GCAA Per Mcf	(6) GCAA Per 100 Cu. Ft.	(7) Implemented With Service Rendered On
			Total Dollars of Gas Cost Recovered <sup>1</sup>	Gas Supply Cost Per Books <sup>2</sup>					
Aug-2003	Oct-2003	(Case No. 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 No. 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 No. 2004-00506)	83,438,486	81,507,939	1,930,547	36,434,958	(\$0.0530)	(\$0.00530)	8/1/2004
May-2004	Jul-2004	(Case No. 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 No. 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 No. 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 No. 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 No. 2005-00143)	31,352,437	29,163,240	2,189,197	35,923,358	(\$0.0609)	(\$0.00609)	11/1/2005
Aug-2005	Oct-2005	(Case No. 2005-00274)	26,937,216	45,136,099	(18,198,883)	36,264,049	\$0.5018	\$0.05018	2/1/2006
Nov-2005	Jan-2006	(Case No. 2005-00401)	195,225,843	176,113,181	19,112,662	36,235,391	(\$0.5275)	(\$0.05275)	5/1/2006
Feb-2006	Apr-2006	(Case No. 2006-00005)	118,813,736	99,908,070	18,905,666	36,234,450	(\$0.5218)	(\$0.05218)	8/1/2006
May-2006	Jul-2006	(Case No. 2006-00138)	25,653,769	25,555,064	98,705	33,519,195	(\$0.0029)	(\$0.00029)	11/1/2006
Aug-2006	Oct-2006	(Case No. 2006-00335)	30,851,071	27,737,106	3,113,965	33,575,288	(\$0.0927)	(\$0.00927)	2/1/2007
Nov-2006	Jan-2007	(Case No. 2006-00431)	117,566,789	121,616,960	(4,050,171)	33,784,429	\$0.1199	\$0.01199	5/1/2007
Feb-2007	Apr-2007	(Case No. 2007-00001)	96,196,128	109,420,254	(13,224,126)	33,829,123	\$0.3909	\$0.03909	8/1/2007
May-2007	Jul-2007	(Case No. 2007-00141)	25,771,197	22,055,021	3,716,176	32,562,833	(\$0.1141)	(\$0.01141)	11/1/2007
Aug-2007	Oct-2007	(Case No. 2007-00267)	27,831,017	22,940,375	4,890,642	32,561,210	(\$0.1502)	(\$0.01502)	2/1/2008
Nov-2007	Jan-2008	(Case No. 2007-00428)	131,149,323	138,564,724	(7,415,401)	32,334,823	\$0.2293	\$0.02293	5/1/2008
Feb-2008	Apr-2008	(Case No. 2007-00559)	103,258,883	119,589,310	(16,330,427)	32,320,126	\$0.5053	\$0.05053	8/1/2008

<sup>1</sup> See Page 2 of this Exhibit.

<sup>2</sup> See Page 4 of this Exhibit.

	Monthly Mcf Sales <sup>1</sup>	Aug 1, 2006 through Oct 31, 2006	Nov 1, 2006 through Jan 31, 2007	Feb 1, 2007 through Apr 30, 2007	May 1, 2007 through July 31, 2007	August 1, 2007 through Oct 31, 2007	Nov 1, 2007 through Jan 31, 2008	Feb 1, 2008 through Apr 30, 2008
1	2006	1,404,555	1,426,105					
2	NOV		1,426,105					
3	DEC		4,212,884					
4	2007		4,716,686	3,677,588				
5	JAN		3,226,318	4,947,897				
6	FEB			2,569,206				
7	MAR			856,431				
8	APR				631,859			
9	MAY				864,422			
10	JUN				764,303			
11	JULY				354,261			
12	AUG					373,273		
13	SEPT					763,556		
14	OCT					811,984		
15	NOV					920,771	1,172,063	
16	DEC						4,281,656	3,141,827
17	2008						6,009,012	5,425,227
18	JAN						2,966,845	3,100,020
19	FEB							783,557
20	MAR							
21	APR							
22	MAY							
20	Applicable Mcf Sales During 3 Month Period	3,767,428	13,581,993	12,051,122	2,614,844	2,869,583	14,429,576	12,450,630
21	Gas Supply Clause Case No.	2006-00335	2006-00431	2007-00001	2007-00141	2007-00267	2007-00428	2007-00559
22	Gas Supply Cost Recovered Per Mcf Sold	\$8.0336	\$8.1687	\$7.5931	\$9.7761	\$8.7448	\$8.5907	\$8.2054
23	Dollars of Recovery Under GSC	\$30,266,013	\$110,947,227	\$91,505,375	\$25,562,979	\$25,093,933	\$123,960,157	\$102,162,399
24	Total Dollars Recovered During 3-Month Period	24,076	24,855	29,958	23,416	25,541	22,610	19,435
25	Mcf of Customer-Owned Gas Transported Under Rate TS							
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period	0.8761	0.9534	0.9522	0.9451	0.9455	0.9577	0.9579
27	Pipeline Suppliers' Demand Component Per Mcf	\$21,093	\$23,697	\$28,526	\$22,130	\$24,149	\$21,653	\$18,617
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)	\$563,965	\$431,024	\$410,936	\$186,088	\$503,492	\$882,470	\$204,913
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	0	\$6,164,842	\$4,251,291	\$0	\$2,209,444	\$6,285,043	\$872,953
30	Revenues from Off-system Sales							
31	Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30)	\$30,851,071	\$117,566,789	\$96,196,128	\$25,771,197	\$27,831,017	\$131,149,323	\$103,258,883

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



LOUISVILLE GAS AND ELECTRIC COMPANY  
Total Gas Supply Cost Per Books

	MCF										DOLLARS									
	Mcf Purchases	Purchases for OSS	Less: Purchases for Depts. other Than Gas Dept.	Less: Purchases Injected Into Storage	Plus: Mcf Withdrawn From Storage	Plus Storage Losses	Mcf Sendout (Gas Dept.)	Purchased Gas Costs	Purchased Gas Costs for OSS	Less: Purchases for Non-Gas Departments	Less: Purchases Injected Into Storage	Plus: Cost of Gas Withdrawn From Storage	Plus Storage Losses	Plus: Other Gas Purchase Expenses	Total Gas Supply Cost					
May	680,837	0	(113,117)	0	613,678	20,836	1,212,234	9,559,313	0	(1,363,612)	0	6,308,978	214,207	9,116	14,728,202					
June	2,321,636	0	(282,268)	0	843	22,373	886,834	15,193,314	0	(1,981,610)	(7,622,035)	7,559	200,601	10,036	5,809,864					
July	3,852,321	0	(288,065)	(2,834,989)	(154)	26,981	756,114	25,473,631	0	(2,026,423)	(18,651,545)	(1,213)	212,510	8,238	5,016,998					
<b>Total May 2006 thru July 2006</b>							<b>2,855,182</b>								<b>25,555,064</b>					
August	4,284,495	0	(351,859)	(2,976,908)	263	31,622	987,613	33,371,974	0	(2,860,404)	(23,249,949)	2,066	248,384	8,545	7,720,616					
September	3,659,105	0	(35,155)	(2,710,359)	362	39,097	935,050	20,731,818	0	(296,289)	(15,352,538)	2,662	289,679	7,644	5,382,955					
October	4,836,361	0	(48,327)	(2,406,723)	1,164	37,664	2,920,339	29,153,312	0	(303,062)	(14,300,987)	8,297	268,473	7,502	14,633,253					
<b>Total August thru October 2006</b>							<b>4,343,002</b>								<b>27,737,106</b>					
November	3,016,556	149,326	(45,337)	(185,732)	673,650	38,502	3,646,965	26,430,816	1,069,124	(368,805)	(1,654,367)	4,816,395	275,278	6,730	30,393,171					
December	2,895,879	0	(78,685)	(104,959)	2,153,807	35,546	4,901,588	27,955,507	0	(466,613)	(1,013,400)	15,440,427	254,826	8,949	42,179,696					
January	3,231,228	743,263	(61,689)	0	2,813,340	27,026	6,753,168	24,379,913	4,342,511	(251,722)	0	20,168,553	193,747	9,091	48,842,093					
<b>Total November 2006 thru January 2007</b>							<b>15,301,721</b>								<b>121,616,960</b>					
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	1,511,359	0	(42,084)	(2,128)	1,641,479	22,896	3,131,522	15,231,795	0	(404,185)	(21,466)	11,774,329	164,233	9,751	26,794,457					
April	1,409,997	0	(177,667)	(95)	1,425,492	20,115	2,677,842	12,146,435	0	(1,522,619)	(819)	10,225,197	144,287	7,357	20,999,837					
<b>Total February 2007 thru April 2007</b>							<b>13,681,064</b>								<b>189,430,254</b>					
May	752,051	0	(141,660)	(128,947)	497,347	20,094	998,885	8,106,108	0	(1,396,513)	(1,413,981)	3,633,561	147,613	9,474	9,106,261					
June	2,279,433	0	(60,438)	(1,429,984)	16,669	22,015	827,695	19,695,842	0	(513,322)	(12,379,514)	130,808	172,761	9,092	7,115,667					
July	3,729,293	0	(57,367)	(2,876,221)	649	26,061	822,415	26,470,490	0	(408,134)	(20,438,426)	4,883	196,062	8,218	5,833,093					
<b>Total May 2007 thru July 2007</b>							<b>2,648,995</b>								<b>22,055,021</b>					
August	4,011,754	0	(354,482)	(2,902,312)	(601)	34,572	788,931	27,519,929	0	(2,472,639)	(19,906,668)	(4,399)	253,828	8,263	5,398,315					
September	3,257,336	271,061	(87,033)	(2,354,376)	432	34,704	1,102,304	20,632,234	1,478,098	(562,801)	(14,995,492)	2,937	247,412	8,157	6,810,346					
October	3,972,767	73,926	(87,452)	(2,530,603)	302	38,266	1,447,206	29,733,137	478,134	(657,208)	(19,107,332)	2,173	275,278	8,333	10,731,315					
<b>Total August 2007 thru October 2007</b>							<b>3,338,441</b>								<b>22,940,375</b>					
November	3,043,907	0	(43,219)	(121,119)	715,542	38,009	3,633,120	25,955,545	0	(369,330)	(1,034,284)	5,155,623	273,862	9,606	29,991,003					
December	3,087,783	0	(32,844)	(77,022)	2,406,730	34,806	3,399,453	27,502,731	0	(464,468)	(687,383)	17,364,076	251,118	9,967	43,976,042					
January	4,004,398	777,550	(69,998)	(8,089)	3,313,463	40,819	8,060,143	35,393,408	5,667,051	(621,081)	(71,575)	23,924,381	294,550	8,945	64,597,678					
<b>Total November 2007 thru January 2008</b>							<b>17,092,716</b>								<b>138,564,724</b>					
February	3,562,768	98,373	(61,790)	(42,607)	2,729,438	34,390	6,300,572	34,245,510	801,614	(596,837)	(412,001)	19,731,653	248,612	8,343	54,026,895					
March	2,679,353	0	(93,561)	0	1,923,054	29,366	4,538,192	29,309,488	0	(983,829)	0	13,901,805	212,290	6,564	42,440,318					
April	1,220,252	0	(62,351)	0	947,762	24,645	2,130,308	16,953,378	0	(866,384)	0	6,851,466	178,161	5,476	23,122,097					
<b>Total February 2008 thru April 2008</b>							<b>12,919,072</b>								<b>119,589,310</b>					

LOUISVILLE GAS AND ELECTRIC COMPANY  
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER  
FOR THE 3 MONTH PERIOD FROM FEBRUARY 2008 THROUGH APRIL 2008

	DELIVERED BY TEXAS GAS TRANSMISSION, LLC			COMMODITY AND VOLUMETRIC CHARGES:			NATURAL GAS SUPPLIERS:		
	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
1. WITHDRAWALS	710,500	693,171	\$5,811,704.40	757,176	738,708	\$6,954,887.20	378,660	369,424	\$3,681,600.00
2. INJECTIONS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
3. ADJUSTMENTS	171,500	167,317	\$1,506,830.73	84,066	82,016	\$862,370.00	437,949	427,267	\$4,567,190.00
4. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
5. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
6. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
7. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
8. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
9. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
10. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
1. NO-NOTICE SERVICE ("NNS") STORAGE:	710,279	692,955	\$5,842,188.83	493,159	481,131	\$4,588,449.97	314,655	306,988	\$3,111,415.40
2. INJECTIONS	(147,902)	(144,295)	(\$1,216,523.53)	(240,639)	(234,770)	(\$2,238,953.38)	(805,498)	(785,852)	(\$7,972,174.81)
3. ADJUSTMENTS	15	(1,045)	\$111.61	(1)	(1,079)	(\$8.23)	2	(343)	\$18.60
4. ADJUSTMENTS	(1,493)	(1,459)	(\$10,738.40)	3,156	3,072	\$23,483.48	0	0	\$0.00
5. ADJUSTMENTS	\$0.00	\$0.00	\$0.00	255,675	248,354	\$2,372,971.84	(774,031)	(756,497)	(\$5,354,452.96)
NATURAL GAS TRANSPORTERS:	\$117,135.77	\$0.83	(\$82.67)	\$85,890.92	(3,684)	(\$0.05)	\$53,709.71	(2,193)	\$0.10
1. TEXAS GAS TRANSMISSION, LLC	0	(2,281)	\$0.83	(\$0.05)	(3,684)	(\$0.05)	\$53,709.71	(2,193)	\$0.10
2. ADJUSTMENTS	0	0	(\$82.67)	0	0	\$174.74	0	0	\$0.00
3. ADJUSTMENTS	2,448,196	2,385,140	\$117,053.93	1,845,187	1,795,413	\$86,065.61	1,081,230	1,052,320	\$53,709.81
TOTAL	2,448,196	2,385,140	\$117,053.93	1,845,187	1,795,413	\$86,065.61	1,081,230	1,052,320	\$53,709.81
TOTAL COMMODITY AND VOLUMETRIC CHARGES	\$20,146,312.33			\$17,149,249.65			\$13,269,264.64		
DEMAND AND FIXED CHARGES:	\$2,483,232.30	\$0.00	\$0.00	\$2,654,489.70	\$0.00	\$0.00	\$1,364,620.80	\$0.00	\$0.00
1. TEXAS GAS TRANSMISSION, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. ADJUSTMENTS	\$615,616.10	\$0.00	\$0.00	\$273,506.80	\$0.00	\$0.00	\$265,041.00	\$0.00	\$0.00
3. SUPPLY RESERVATION CHARGES	\$0.00	(\$14,500.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. ADJUSTMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. CAPACITY RELEASE CREDITS	\$3,084,348.40	\$0.00	\$0.00	\$2,927,986.50	\$0.00	\$0.00	\$1,629,661.80	\$0.00	\$0.00
TOTAL DEMAND AND FIXED CHARGES	\$3,084,348.40	\$0.00	\$0.00	\$2,927,986.50	\$0.00	\$0.00	\$1,629,661.80	\$0.00	\$0.00
TOTAL PURCHASED GAS COSTS - TEXAS GAS TRANSMISSION, LLC	\$23,230,660.73			\$20,077,246.15			\$14,898,926.44		
FEBRUARY 2008									
1. WITHDRAWALS	710,500	693,171	\$5,811,704.40	757,176	738,708	\$6,954,887.20	378,660	369,424	\$3,681,600.00
2. INJECTIONS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
3. ADJUSTMENTS	171,500	167,317	\$1,506,830.73	84,066	82,016	\$862,370.00	437,949	427,267	\$4,567,190.00
4. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
5. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
6. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
7. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
8. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
9. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
10. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
1. NO-NOTICE SERVICE ("NNS") STORAGE:	710,279	692,955	\$5,842,188.83	493,159	481,131	\$4,588,449.97	314,655	306,988	\$3,111,415.40
2. INJECTIONS	(147,902)	(144,295)	(\$1,216,523.53)	(240,639)	(234,770)	(\$2,238,953.38)	(805,498)	(785,852)	(\$7,972,174.81)
3. ADJUSTMENTS	15	(1,045)	\$111.61	(1)	(1,079)	(\$8.23)	2	(343)	\$18.60
4. ADJUSTMENTS	(1,493)	(1,459)	(\$10,738.40)	3,156	3,072	\$23,483.48	0	0	\$0.00
5. ADJUSTMENTS	\$0.00	\$0.00	\$0.00	255,675	248,354	\$2,372,971.84	(774,031)	(756,497)	(\$5,354,452.96)
NET NNS STORAGE	\$60,899	\$4,615,036.51		\$248,354	\$2,372,971.84		(\$5,354,452.96)		
NATURAL GAS TRANSPORTERS:	\$117,135.77	\$0.83	(\$82.67)	\$85,890.92	(3,684)	(\$0.05)	\$53,709.71	(2,193)	\$0.10
1. TEXAS GAS TRANSMISSION, LLC	0	(2,281)	\$0.83	(\$0.05)	(3,684)	(\$0.05)	\$53,709.71	(2,193)	\$0.10
2. ADJUSTMENTS	0	0	(\$82.67)	0	0	\$174.74	0	0	\$0.00
3. ADJUSTMENTS	2,448,196	2,385,140	\$117,053.93	1,845,187	1,795,413	\$86,065.61	1,081,230	1,052,320	\$53,709.81
TOTAL	2,448,196	2,385,140	\$117,053.93	1,845,187	1,795,413	\$86,065.61	1,081,230	1,052,320	\$53,709.81
TOTAL COMMODITY AND VOLUMETRIC CHARGES	\$20,146,312.33			\$17,149,249.65			\$13,269,264.64		
DEMAND AND FIXED CHARGES:	\$2,483,232.30	\$0.00	\$0.00	\$2,654,489.70	\$0.00	\$0.00	\$1,364,620.80	\$0.00	\$0.00
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2. ADJUSTMENTS	\$615,616.10	\$0.00	\$0.00	\$273,506.80	\$0.00	\$0.00	\$265,041.00	\$0.00	\$0.00
3. SUPPLY RESERVATION CHARGES	\$0.00	(\$14,500.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. ADJUSTMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. CAPACITY RELEASE CREDITS	\$3,084,348.40	\$0.00	\$0.00	\$2,927,986.50	\$0.00	\$0.00	\$1,629,661.80	\$0.00	\$0.00
TOTAL DEMAND AND FIXED CHARGES	\$3,084,348.40	\$0.00	\$0.00	\$2,927,986.50	\$0.00	\$0.00	\$1,629,661.80	\$0.00	\$0.00
TOTAL PURCHASED GAS COSTS - TEXAS GAS TRANSMISSION, LLC	\$23,230,660.73			\$20,077,246.15			\$14,898,926.44		
MARCH 2008									
1. WITHDRAWALS	710,500	693,171	\$5,811,704.40	757,176	738,708	\$6,954,887.20	378,660	369,424	\$3,681,600.00
2. INJECTIONS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
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NET NNS STORAGE	\$60,899	\$4,615,036.51		\$248,354	\$2,372,971.84		(\$5,354,452.96)		
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3. SUPPLY RESERVATION CHARGES	\$0.00	(\$14,500.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. ADJUSTMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. CAPACITY RELEASE CREDITS	\$3,084,348.40	\$0.00	\$0.00	\$2,927,986.50	\$0.00	\$0.00	\$1,629,661.80	\$0.00	\$0.00
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6. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
7. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
8. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
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3. ADJUSTMENTS	15	(1,045)	\$111.61	(1)	(1,079)	(\$8.23)	2	(343)	\$18.60

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY				FEBRUARY 2008				MARCH 2008				APRIL 2008					
COMMODITY AND VOLUMETRIC CHARGES:				NET MMBTU				NET MMBTU				NET MMBTU					
NATURAL GAS SUPPLIERS:				MCF				MCF				MCF					
	K	L	M	N	O	P	Q										
1.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$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	\$0.00	\$0.00	\$0.00	\$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	\$0.00	\$0.00	\$0.00	\$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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1.	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00
2.	(\$85)	(\$3,986.77)	(230)	4,131	(\$1,976.64)	84	2,936	\$812.83	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00
3.	0	\$0.01	0	0	\$0.00	0	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4.	0	(\$8,135.97)	0	0	\$0.00	0	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL	1,159,515	\$317,541.27	878,761	857,521	\$327,687.36	145,416	144,036	\$301,816.25	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00
TOTAL COMMODITY AND VOLUMETRIC CHARGES				\$9,906,678.63				\$8,424,211.44				\$1,812,728.49					
DEMAND AND FIXED CHARGES:				\$20,000.00				\$15,382.34				\$2,543.31					
1.	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
2.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3.	\$0.00	\$797,310.63	\$0.00	\$0.00	\$558,442.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL DEMAND AND FIXED CHARGES	\$817,610.63	\$10,724,287.26	\$573,825.33	\$8,998,036.77	\$2,543.31	\$1,815,271.80	\$2,543.31	\$1,815,271.80	\$2,543.31	\$1,815,271.80	\$2,543.31	\$1,815,271.80	\$2,543.31	\$1,815,271.80	\$2,543.31	\$1,815,271.80	\$2,543.31
TOTAL PURCHASED GAS COSTS - TENNESSEE GAS PIPELINE COMPANY				\$10,724,287.26				\$8,998,036.77				\$1,815,271.80					
OTHER PURCHASES:				\$0.00				\$0.00				\$0.00					
1.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TEXAS GAS TRANSMISSION, LLC	0	(37)	0	0	\$0.00	0	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ADJUSTMENTS	0	(37)	0	0	\$0.00	0	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2.	0	\$219,223.86	0	26,419	\$234,204.86	0	23,896	\$239,179.83	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86
3.	0	\$27,812	0	26,419	\$234,204.86	0	23,896	\$239,179.83	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812
4.	0	\$219,223.86	0	26,419	\$234,204.86	0	23,896	\$239,179.83	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86	\$219,223.86
TOTAL	0	\$27,812	0	26,419	\$234,204.86	0	23,896	\$239,179.83	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812	\$27,812
CASH-OUT OF CUSTOMER OVER-DELIVERIES				\$0.00				\$0.00				\$0.00					
TOTAL				\$0.00				\$0.00				\$0.00					
TOTAL PURCHASED GAS COSTS - ALL PIPELINES				\$34,174,171.85				\$29,309,487.78				\$16,953,378.07					

LOUISVILLE GAS AND ELECTRIC COMPANY  
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER  
FOR THE 3 MONTH PERIOD FROM FEBRUARY 2008 THROUGH APRIL 2008



**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Gas Supply Clause: 2008-00XXX**

**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 under-recovery that must be charged under the Gas Cost Balance Adjustment (GCBA) during the period of August 1, 2008 through October 31, 2008, set forth on Page 1 of Exhibit C-1 is \$457,436. The GCBA factor required to charge this under-recovery is a charge of 1.242¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after August 1, 2008 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2008-00117, which, with service rendered through July 31, 2008, 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, 2008.

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 (GCA) and												
Gas Cost Balance Adjustment (GCB)												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Remaining Over (Under)	From Refund	Armt. Transferred	GCB From	Applicable	GCB From	Recovery	Over	Deferred	Recovery	Expected	Implemented for Three-Month	Period With Service
Factor & Preceding	Second	From Second	Preceding	From Second	Preceding	Under	(Under)	Deferred	Recovery	3 Mo. Period	From GCA <sup>1</sup>	Rendered On and After:
(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)	(cents/mcf)
40,066	(970) <sup>4</sup>	20,552	3,440,040	16,014,377	12,039,509	40,481	39,561	16,014,377	12,039,509	40,481	39,561	16,014,377
May 1, 2004	(Case No. 2004-00117)	(46,186)	(886,051) <sup>5</sup>	(886,051)	40,481	12,039,509	40,481	12,039,509	40,481	39,561	16,014,377	12,039,509
August 1, 2004	(Case No. 2004-00271)	(648,088)	(886,051) <sup>5</sup>	(886,051)	40,481	12,039,509	40,481	12,039,509	40,481	39,561	16,014,377	12,039,509
November 1, 2004	(Case No. 2004-00390)	(1,472,569)	(886,051) <sup>5</sup>	(886,051)	40,481	12,039,509	40,481	12,039,509	40,481	39,561	16,014,377	12,039,509
February 1, 2005	(Case No. 2004-00526)	28,123	(1,532,184)	(1,532,184)	3,154,503	41,82	1,319,213	(1,474,237)	16,297,803	3,663,708	2,869,986	12,678,174
May 1, 2005	(Case No. 2005-00143)	510,098	(369,696) <sup>6</sup>	(369,696)	14,564,142	9,05	1,318,055	(15,780)	16,297,803	3,663,708	2,869,986	12,678,174
August 1, 2005	(Case No. 2005-00274)	(708,364)	(432,909) <sup>7</sup>	(432,909)	11,948,228	1,46	1,744,444	(1,151,677)	16,297,803	3,663,708	2,869,986	12,678,174
November 1, 2005	(Case No. 2005-00401)	197,051	(15,780)	(15,780)	3,040,598	0,51	15,507	(2,73)	16,297,803	3,663,708	2,869,986	12,678,174
February 1, 2006	(Case No. 2006-00005)	(292,650)	(1,151,677)	(1,151,677)	3,005,143	31,36	942,413	(209,264)	16,297,803	3,663,708	2,869,986	12,678,174
May 1, 2006	(Case No. 2006-00138)	621,092	(1,151,677)	(1,151,677)	13,959,263	(1,14)	(159,677)	37,101	16,297,803	3,663,708	2,869,986	12,678,174
August 1, 2006	(Case No. 2006-00335)	(1,339,631)	(270,087) <sup>8</sup>	(270,087)	7,486,966	4,05	303,222	(198,692)	16,297,803	3,663,708	2,869,986	12,678,174
November 1, 2006	(Case No. 2006-00431)	123,552	(270,087) <sup>8</sup>	(270,087)	2,752,572	(20,94)	(576,389)	81,804	16,297,803	3,663,708	2,869,986	12,678,174
February 1, 2007	(Case No. 2007-00001)	340,264	(1,711,456) <sup>9</sup>	(1,711,456)	3,767,428	48,14	1,813,640	102,184	16,297,803	3,663,708	2,869,986	12,678,174
May 1, 2007	(Case No. 2007-00141)	(3,153,475)	205,356	205,356	13,581,993	(1,29)	(175,208)	30,149	16,297,803	3,663,708	2,869,986	12,678,174
August 1, 2007	(Case No. 2007-00267)	2,151,894	(470,308) <sup>10</sup>	(470,308)	12,051,122	(3,76)	(453,122)	(10,674)	16,297,803	3,663,708	2,869,986	12,678,174
November 1, 2007	(Case No. 2007-00428)	2,200,035	(470,308) <sup>10</sup>	(470,308)	2,614,844	107,65	2,814,880	(308,446)	16,297,803	3,663,708	2,869,986	12,678,174
February 1, 2008	(Case No. 2007-00559)	8,464	1,670,912	1,670,912	2,869,583	(49,89)	(1,431,635)	239,277	16,297,803	3,663,708	2,869,986	12,678,174
May 1, 2008	(Case No. 2008-00117)	150,798	1,912,531	1,912,531	14,429,576	(12,34)	(1,780,610)	131,921	16,297,803	3,663,708	2,869,986	12,678,174
August 1, 2008	(Case No. 2008-00xxx)	(169,651)	247,741	247,741	12,450,630	(2,21)	(275,159)	(27,418)	16,297,803	3,663,708	2,869,986	12,678,174

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, 2008 through October 31, 2008.  
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, 2000-080-1, 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.  
11 This amount represents an over-refund by LG&E from the FERCC settlement of the rate case filed by Texas Gas in Docket No. RP05-317 of a pipeline supplier refund.  
12 Reconciliation of the PBRCC from previous twelve months.

LOUISVILLE GAS AND ELECTRIC COMPANY

Month	Total Monthly (1)	As Pro-Rated for Service Rendered During:		GCAA Case No.	GCAA Case No.	GCAA Case No.	GCAA Case No.	GCAA Case No.	GCAA Case No.	GCAA Case No.	GCAA Case No.	GCAA Case No.
		Previous (2)	Following (3)									
August	751,741	400,469	351,272	2004-00526	2005-00143	2005-00401	2006-00005	2006-00138	2006-00335	2006-00431		
September	753,898			August 1, 2005	November 1, 2005	February 1, 2006	August 1, 2006	November 1, 2006	February 1, 2007	May 1, 2007		
October	872,219	1,027,755	914,329	\$662,233	\$2,189,197	(\$18,198,883)	\$19,112,662	\$18,905,666	\$98,705	\$3,113,965	(\$4,050,171)	
November	1,942,084			Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	
December	5,196,564			-1.82	-6.09	50.18	-52.75	-52.18	-0.29	11.99		
January	5,536,942			cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf		
February	4,705,344											
March	4,164,379											
April	2,693,681											
May	1,335,505											
June	923,191											
July	795,759											
August	719,592											
September	782,784											
October	1,188,323											
November	2,830,660											
December	4,212,884											
January	4,716,686											
February	6,903,906											
March	4,947,897											
April	2,569,206											
May	1,488,291											
June	864,422											
July	764,303											
August	727,533											
September	763,556											
October	811,984											
November	2,092,834											
December	4,281,656											
January	6,009,012											
February	6,108,672											
March	5,425,227											
April	3,100,020											
May	1,499,442											
Total Amount Billed Under GCAA												
Remaining Amount of Over (Under) Recovery												

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

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2008-00XXX**

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

All Refund Factors have expired as of July 31, 2007, and because no new refunds have been received, there will be no Refund Factor in effect and applicable to gas service rendered for the period May 1, 2008 through July 31, 2008.

	<u>Sale Volumes</u>	<u>Transportation Volumes</u>
<b>Refund Factor Effective May 1, 2008(a)</b>	\$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: 2008-00xxx****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. 2007-00001, became applicable to gas service rendered on and after February 1, 2007 and will remain in effect until January 31, 2008, 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, 2008, and will remain in effect until January 31, 2009, is \$0.00784 and \$0.00099 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00685/Ccf	\$0.00000/Ccf
Demand-Related Portion	\$0.00099/Ccf	\$0.00099/Ccf
Total PBRRC	\$0.00784/Ccf	\$0.00099/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 2008-00XXX  
Calculation of Performance Based Rate Recovery Component (PBRRC)  
Effective February 1, 2008

	CSPBR Related to <u>Commodity</u>	CSPBR Related to <u>Demand</u>
Shareholder Portion of PBR	\$2,231,138	\$324,576
Expected Mcf Sales for the 12 month period beginning February 1, 2008	32,561,210	32,740,370
PBRRC factor per Mcf	\$0.0685	\$0.0099
PBRRC factor per Ccf	\$0.00685	\$0.00099

**LOUISVILLE GAS AND ELECTRIC COMPANY**

Gas Supply Clause 2008-00XXX  
Shareholder Portion of PBR Savings  
PBR Year 10

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

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	<u>Commodity</u>	<u>Demand</u>	<u>Total</u>
Company Share of PBR Savings or (Expenses) (CSPBR)	\$2,231,138	\$324,576	\$2,555,714

LOUISVILLE GAS AND ELECTRIC COMPANY

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

**August 1, 2008 through October 31, 2008**

	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	\$1.63725	0.10690	\$1.89885
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.63725	0.00125	\$1.78818
OVER 1000 CCF/MONTH		\$0.09968	\$1.63725	0.00125	\$1.73818
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.63725	0.00125	\$1.78818
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.63725	0.00125	\$1.78818
OVER 1000 CCF/MONTH		\$0.09968	\$1.63725	0.00125	\$1.73818
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.63725	0.00125	\$1.78818
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.63725	0.00000	\$1.78693
OVER 1000 CCF/MONTH		\$0.09968	\$1.63725	0.00000	\$1.73693
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.63725	0.00000	\$1.78693
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$1.63725	0.00000	\$1.78693
OVER 1000 CCF/MONTH		\$0.09968	\$1.63725	0.00000	\$1.73693
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$1.63725	0.00000	\$1.78693
Rate AAGS	\$150.00	\$0.05252	\$1.63725	0.00125	\$1.69102



EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

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

**August 1, 2008 through October 31, 2008**

	<u>RATE PER MCF</u>				<u>TOTAL</u>
	<u>ADMIN. CHARGE (PER MONTH)</u>	<u>LG&amp;E DIST CHARGE</u>	<u>PIPELINE SUPPLIER'S DEMAND COMPONENT</u>	<u>DSM COST RECOVERY COMPONENT</u>	
<b>RATE TS</b>					
RATE CGS - COMMERCIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9747	0.1250	\$2.5965
OVER 100 MCF/MONTH		\$0.9968	\$0.9747	0.1250	\$2.0965
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9747	0.1250	\$2.5965
RATE IGS - INDUSTRIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9747	0.0000	\$2.4715
OVER 100 MCF/MONTH		\$0.9968	\$0.9747	0.0000	\$1.9715
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9747	0.0000	\$2.4715
Rate AAGS	\$90.00	\$0.5252	\$0.9747	0.1250	\$1.6249

LG & E

Charges for Gas Transportation Services Provided Under Rate FT

August 1, 2008 through October 31, 2008

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Transportation Service:

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

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Ancillary Services:

Daily Demand Charge	\$0.2115
Daily Storage Charge	\$0.1200
Utilization Charge per Mcf for Daily Balancing	\$0.3315
Monthly Demand Charge per Mcf of Reserved Balancing Service	\$6.4300
Monthly Balancing Charge per Mcf of Reserved Balancing Service	<u>\$3.6500</u>
	\$10.0800

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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.

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L G & E

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

August 1, 2008 through October 31, 2008

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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

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Ancillary Services:

Daily Demand Charge	\$0.2115
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3315

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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.

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