



a PPL company

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
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RECEIVED

JUN 30 2011

PUBLIC SERVICE
COMMISSION

Louisville Gas and
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State Regulation and Rates
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June 30, 2011

**Re: *Louisville Gas and Electric Company -
Gas Supply Clause Effective August 1, 2011***

Dear Mr. DeRouen:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and ten copies of the Fourth Revision of Original Sheet No. 85 of LG&E Tariff PSC Gas No. 8 setting forth a Gas Supply Cost Component of 56.050 cents per 100 cubic feet applicable to all gas sold during the period of August 1, 2011 through October 31, 2011. 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, 2011 through October 31, 2011.

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, 2011 through October 31, 2011. 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, 2011. These adjustment levels will remain in effect from August 1, 2011 through October 31, 2011.

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
June 30, 2011

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,


Robert M. Conroy

Enclosures

Louisville Gas and Electric Company

P.S.C. Gas No. 8, Fourth Revision of Original Sheet No. 85
 Canceling P.S.C. Gas No. 8, Third Revision of Original Sheet No. 85

Adjustment Clause	GSC	
Gas Supply Clause		
APPLICABLE TO		
All gas sold.		
 GAS SUPPLY COST COMPONENT (GSCC)		
Gas Supply Cost	\$0.57032	R
Gas Cost Actual Adjustment (GCAA)	(0.01058)	I
Gas Cost Balance Adjustment (GCBA)	(0.00386)	R
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 November 1, 2010	(0.00021)	T
Refund Factor Effective February 1, 2011	(0.00021)	T
Refund Factor Effective May 1, 2011	(0.00043)	T
Refund Factor Effective August 1, 2011	(0.00043)	T/R
Total Refund Factor	(0.00128)	R
 Performance-Based Rate Recovery Component (PBRRC)	 <u>0.00590</u>	
 Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	 \$0.56050	 R

Date of Issue: June 30, 2011

Date Effective: August 1, 2011

Issued By: Lonnie E. Bellar, Vice-President, State Regulation and Rates, Louisville, Kentucky

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2011-00XXX

For the Period

August 1, 2011 through October 31, 2011

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After August 1, 2011

2011-00XXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	18,144,058
Total Expected Customer Deliveries: August 1, 2011 through October 31, 2011	Mcf	3,181,360
Gas Supply Cost Per Mcf	\$/Mcf	5.7032
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	57.032

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

Description	Unit	Amount
Current Quarter Actual Adjustment Eff. August 1, 2011 (Case No. 2010-00525)	¢/Ccf	0.543
Previous Quarter Actual Adjustment Eff. May 1, 2011 (Case No. 2010-00387)	¢/Ccf	0.129
2nd Previous Qrt. Actual Adjustment Eff. February 1, 2011 (Case No. 2010-00263)	¢/Ccf	(1.557)
3rd Previous Qrt. Actual Adjustment Eff. November 1, 2010 (Case No. 2010-00140)	¢/Ccf	(0.173)
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(1.058)

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

Description	Unit	Amount
Balance Adjustment Amount	\$	122,651
Total Expected Customer Deliveries: August 1, 2011 through October 31, 2011	Mcf	3,181,360
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	(0.0386)
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	(0.386)

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Refund Factor Effective:		
Current Quarter Refund Factor Eff. August 1, 2011	¢/Ccf	(0.043)
1st Previous Quarter Refund Factor Eff. May 1, 2011	¢/Ccf	(0.043)
2nd Previous Quarter Refund Factor Eff. February 1, 2011	¢/Ccf	(0.021)
3rd Previous Quarter Refund Factor Eff. November 1, 2010	¢/Ccf	(0.021)
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	(0.128)

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

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.590
Total of PBRRC Factors Per 100 Cubic Feet	¢/Ccf	0.590

Gas Supply Cost Component (GSCC) Effective August 1, 2011 through October 31, 2011

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	57.032
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(1.058)
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	(0.386)
Refund Factors (RF)	¢/Ccf	(0.128)
Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.590
Total Gas Supply Cost Component (GSCC)	¢/Ccf	56.050

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From August 1, 2011 through October 31, 2011

				Total
	August	September	October	Aug11 thru Oct11
MMBtu				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	1,812,627	1,730,321	1,810,131	5,353,079
2. Expected Gas Supply Transported Under Texas' Rate FT	310,000	300,000	310,000	920,000
3. Expected Gas Supply Transported Under Texas' Rate STF	558,000	540,000	558,000	1,656,000
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	1,240,000	1,200,000	1,240,000	3,680,000
5. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	0	0	0	0
6. Total MMBtu Purchased	3,920,627	3,770,321	3,918,131	11,609,079
7. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	0
8. Less: Injections into Texas Gas' NNS Storage Service	89,900	51,900	151,900	293,700
9. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,830,727	3,718,421	3,766,231	11,315,379
Mcf				
10. Total Purchases in Mcf	3,825,002	3,678,362	3,822,567	
11. Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	
12. Less: Injections Texas Gas' NNS Storage Service	87,707	50,634	148,195	
13. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,737,295	3,627,728	3,674,372	
14. Plus: Customer Transportation Volumes under Rate TS	6,463	6,710	7,824	
15. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 13 + Line 14)	3,743,758	3,634,438	3,682,196	
16. Less: Purchases for Depts. Other Than Gas Dept.	4	589	2	
17. Less: Purchases Injected into LG&E's Underground Storage	2,972,215	2,730,108	2,124,122	
18. Mcf Purchases Expensed during Month (Line 13 - Line 16 - Line 17)	765,076	897,031	1,550,248	3,212,355
19. LG&E's Storage Inventory - Beginning of Month	6,600,001	9,531,001	12,216,001	
20. Plus: Storage Injections into LG&E's Underground Storage (Line 17)	2,972,215	2,730,108	2,124,122	
21. LG&E's Storage Inventory - Including Injections	9,572,216	12,261,109	14,340,123	
22. Less: Storage Withdrawals from LG&E's Underground Storage	0	0	0	0
23. Less: Storage Losses	41,215	45,108	50,122	136,445
24. LG&E's Storage Inventory - End of Month	9,531,001	12,216,001	14,290,001	
25. Mcf of Gas Supply Expensed during Month (Line 18 + Line 22 + Line 23)	806,291	942,139	1,600,370	3,348,800
Cost				
26. Total Demand Cost - Including Transportation (Line 15 x Line 48)	\$3,270,173	\$3,174,682	\$3,216,398	
27. Less: Demand Cost Recovered thru Rate TS (Line 14 x Line 48)	5,645	5,861	6,834	
28. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$3,264,528	\$3,168,821	\$3,209,564	
29. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 49)	8,057,671	7,734,881	8,170,388	
30. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 50)	1,354,855	1,318,560	1,375,904	
31. Commodity Costs - Gas Supply Under Rate STF (Line 3 x Line 51)	2,455,925	2,390,040	2,493,814	
32. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 4 x Line 52)	5,392,512	5,247,960	5,476,088	
33. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 5 x Line 53)	0	0	0	
34. Total Purchased Gas Cost	\$20,525,491	\$19,860,262	\$20,725,758	\$61,111,511
35. Plus: Withdrawals from NNS Storage (Line 7 x Line 49)	0	0	0	0
36. Less: Purchases Injected into NNS Storage (Line 8 x Line 49)	399,632	232,003	685,631	1,317,266
37. Total Cost of Gas Delivered to LG&E	\$20,125,859	\$19,628,259	\$20,040,127	\$59,794,245
38. Less: Purchases for Depts. Other Than Gas Dept. (Line 16 x Line 54)	22	3,187	11	3,220
39. Less: Purchases Injected into LG&E's Storage (Line 17 x Line 54)	16,005,675	14,771,522	11,584,961	42,362,158
40. Pipeline Deliveries Expensed During Month	\$4,120,162	\$4,853,550	\$8,455,155	\$17,428,867
41. LG&E's Storage Inventory - Beginning of Month	\$33,741,185	\$49,532,666	\$64,067,615	
42. Plus: LG&E Storage Injections (Line 39 above)	16,005,675	14,771,522	11,584,961	
43. LG&E's Storage Inventory - Including Injections	\$49,746,860	\$64,304,188	\$75,652,576	
44. Less: LG&E Storage Withdrawals (Line 22 x Line 55)	0	0	0	\$0
45. Less: LG&E Storage Losses (Line 23 x Line 55)	214,194	236,573	264,424	715,191
46. LG&E's Storage Inventory - End of Month	\$49,532,666	\$64,067,615	\$75,388,152	
47. Gas Supply Expenses (Line 40 + Line 44 + Line 45)	\$4,334,356	\$5,090,123	\$8,719,579	\$18,144,058
Unit Cost				
48. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.8735	\$0.8735	\$0.8735	
49. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$4.4453	\$4.4702	\$4.5137	
50. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$4.3705	\$4.3952	\$4.4384	
51. Commodity Cost (per MMBtu) under Texas Gas's Rate STF	\$4.4013	\$4.4260	\$4.4692	
52. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$4.3488	\$4.3733	\$4.4162	
53. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$4.3652	\$4.3896	\$4.4323	
54. Average Cost of Deliveries (Line 37 / Line 13)	\$5.3851	\$5.4106	\$5.4540	
55. Average Cost of Inventory - Including Injections (Line 43 / Line 21)	\$5.1970	\$5.2446	\$5.2756	
Gas Supply Cost				
56. Total Expected Mcf Deliveries (Sales) to Customers (August 1, 2011 through October 31, 2011)				3,181,360 Mcf
57. Current Gas Supply Cost (Line 47 / Line 56)				\$5.7032 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From August 1, 2011 through October 31, 2011

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$12.7642	x	119,913	MMBtu) x 12	\$18,367,122
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$5.4500	x	10,000	MMBtu) x 12	654,000
Texas Gas Firm Transportation (Rate STF) Monthly Demand Charge	(	\$6.2178	x	10,542	MMBtu) x 12	786,577
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)						6,202,765

ANNUAL DEMAND COSTS

\$29,966,432

Expected Annual Deliveries from Pipeline Transporters 35,164,619
(Including Transportation Under Rate TS) - MMBtu

Expected Annual Deliveries from Pipeline Transporters 34,306,945
(Including Transportation Under Rate TS) - Mcf

AVERAGE DEMAND COST PER MCF

\$0.8735

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, 2011 through October 31, 2011

Pipeline Supplier's Demand Component per Mcf \$0.8735

Refund Factor for Demand Portion of
Texas Gas Refund (see Exhibit D) (0.0128)

Performance Based Rate Recovery
Component (see Exhibit E) 0.0176

Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation \$0.8783

Daily Demand Charge Component of Utilization Charge For Daily Imbalances under Rates FT and PS-FT

Design Day Requirements (in Mcf) 444,861

(Annual Demand Costs / Design Day Requirements / 365 Days) - 100% Load Factor Rate \$0.1846

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2011-00XXX

Gas Supply Cost Effective August 1, 2011

LG&E is served by Texas Gas Transmission, LLC ("TGT") pursuant to the terms of transportation agreements under Rates NNS-4, FT-4, and STF-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

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

On December 20, 2010, TGT submitted tariff sheets to the FERC in Docket No. RP11-1629 to correct certain changes in the data elements associated with each Tariff Record Identifier in order to fully comply with FERC's implementation guidelines in Order No. 714. As a part of this filing no changes have been proposed to the content of any tariff record in this tariff filing.

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 which will be applicable on and after August 1, 2011. The tariffed rates are as follows: (a) a daily demand charge of \$0.4190/MMBtu, and (b) a commodity charge of \$0.0633/MMBtu.

LG&E has negotiated rate agreements applicable to all three NNS service agreements that result in a monthly demand charge applicable to LG&E of \$12.7642/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0633/MMBtu.

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

On December 20, 2010, TGT submitted tariff sheets to the FERC in Docket No. RP11-1629 to correct certain changes in the data elements associated with each Tariff Record Identifier in order to fully comply with FERC's implementation guidelines in Order No. 714. As a part of this filing no changes have been proposed to the content of any tariff record in this tariff filing.

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 applicable on and after August 1, 2011. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges. Page 3 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows: (a) a daily demand charge of \$0.3142/MMBtu, and (b) a commodity charge of \$0.0527/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$5.4500/MMBtu and an annual volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0219/MMBtu.

Texas Gas's Short-Term Firm Service (STF-4)

On December 20, 2010, TGT submitted tariff sheets to the FERC in Docket No. RP11-1629 to correct certain changes in the data elements associated with each Tariff Record Identifier in order to fully comply with FERC's implementation guidelines in Order No. 714. As a part of this filing no changes have been proposed to the content of any tariff record in this tariff filing.

Attached hereto as Exhibit A-1 (a), Page 4, is the sheet for Short-Term Firm Service under Rate STF-4 which will be applicable on and after August 1, 2011. The tariffed rates are as follows: for the winter season, (a) a daily demand charge of \$.04701/MMBtu, and (b) a commodity charge of \$0.0527/MMBtu; and for the summer season, (a) a daily demand charge of \$0.2042/MMBtu, and (b) a commodity charge of \$0.0527.

LG&E has negotiated rate agreements that result in the following charges: a weighted-average monthly demand charge of \$6.2178/MMBtu; a winter season commodity-only rate of \$0.5248/MMBtu and a summer season commodity rate of \$0.0527/MMBtu.

Tennessee Gas Pipeline Company

On November 30, 2010, in Docket RP11-1566, TGPL filed for a general increase in rates and for changes to certain terms and conditions of service. On December 29, 2010, FERC issued an order suspending the effectiveness of the proposed changes in rates and terms (including the implementation of an Electric Power Cost Recovery Adjustment) until June 1, 2011, subject to refund. In that same order, FERC also established hearing procedures and a technical conference on non-rate tariff proposals.

Unlike TGPL's fuel rates in effect since 1995, TGPL has proposed to file quarterly revisions to its fuel rates. In its November 30 rate case filing, TGPL submitted indicative fuel retention percentages, but did not propose tariff sheets with new rates. FERC's December 29 order also accepted and suspended TGPL's new fuel rate provision. In the December 29 order, FERC acknowledged TGPL's intent to make its first filing under the new fuel tracker mechanism thirty days prior to June 1, 2011, for the purpose of making the anticipated reduced fuel rates effective contemporaneously with the increase in base rates. On April 29, 2011, TGPL filed revised fuel rates in Docket RP11-2066-000 and proposed that the tariff sheets be placed into effect on June 1, 2011, contemporaneously with the effectiveness (subject to refund) of the increase in base rates specified in the December 29 order. On May 27, 2011, the Commission issued an order finding that TGPL's filing raised questions that warrant further investigation. The Commission found that it was appropriate to impose only a minimum suspension period, because the rates proposed were less than the currently effective rates. The Commission accepted the rates to be

effective June 1, 2011, subject to refund, and established a hearing procedure. The chief judge subsequently issued an order consolidating TGPL's fuel tracker rate filing (Docket No. RP11-2066) with TGPL's rate case (Docket No. RP11-1566).

In its May 26, 2011, compliance and motion filing in Docket RP11-1566, TGPL filed two sets of tariff sheets. The Primary set of tariff sheets set forth the suspended base rates and TGPL's existing fuel retention percentages in effect since 1995. The Alternate set of tariff sheets set forth the suspended base rates and TGPL's fuel retention percentages proposed in RP11-2066. Both sets of rates are proposed to become effective June 1, 2011. However, TGPL has requested that FERC accept its proposed Alternate tariff sheets, which include both the revised and suspended base rates, as well as TGPL's revised fuel rates as filed on April 29, 2011 in Docket No. RP11-2066. TGPL has stated its belief that it would be equitable for the new fuel rates to become effective at the same time as its increased base rates. (The reduced fuel rates partially offset the increased base rates.) While FERC has not acted upon this request, LG&E is proposing to reflect the Alternate tariff sheets which TGPL has proposed to become effective June 1, 2011.

Importantly, LG&E's negotiated rate agreement in effect with TGPL through October 31, 2012, insulates LG&E and its customers from the higher base rates effective as of June 1, 2011, which rates will be billed subject to refund. Additionally, LG&E believes that this same negotiated rate agreement does not allow TGPL to charge LG&E for any surcharges that may be in effect from time to time, as has been the case with the ACA surcharge of \$0.0019. Similarly, LG&E believes that it is not subject to the Electric Power Cost Recovery Adjustment surcharges proposed by TGPL in RP11-1566. (The commodity surcharge in effect for movements from Zone 0 to Zone 2 is \$0.0177/MMBtu; and the commodity surcharge in effect for movements from Zone 1 to Zone 2 is \$0.0147/MMBtu.) Therefore, the rates set forth in this filing exclude these electric power surcharges from LG&E's rate calculations. In the event that it is ultimately determined that LG&E is subject to these charges, they will be recovered through the over- and under-recovery collection mechanism incorporated in LG&E's Gas Supply Clause.

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

Attached hereto as Exhibit A-1 (a), Pages 5, 6, 7, and 8 are the Alternative tariff sheets for transportation service under Rate FT-4, which are proposed by TGPL to become effective on June 1, 2011, and would, therefore, be applicable on and after August 1, 2011. Page 5 contains the tariff sheet which sets forth the monthly demand charges and Page 6 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows for deliveries from Zone 0 to Zone 2: (a) a monthly demand charge of \$19.7726/MMBtu, and (b) a commodity charge of \$0.0665/MMBtu. The tariffed rates are as follows for deliveries from Zone 1 to Zone 2: (a) a monthly demand charge of \$13.9042/MMBtu, and (b) a commodity charge of \$0.0556/MMBtu.

LG&E has negotiated rate agreements 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.

Pages 7 and 8 contain, respectively, the proposed Electric Power Cost Recovery Adjustment and the Hurricane Surcharge Adjustment, neither of which LG&E believes are applicable to the quantities transported by LG&E.

Also, for reference purposes only, attached hereto as Exhibit A-1(a), Pages 9, 10, 11, and 12, are the Primary tariff sheets setting forth the suspended base rates, the proposed Electric Power Cost Recovery Adjustment and the Hurricane Surcharge Adjustment.

Gas Supply Costs

The New York Mercantile Exchange (“NYMEX”) natural gas futures prices as of June 28, 2011, are \$4.354/MMBtu for August, \$4.373/MMBtu for September, and \$4.412/MMBtu for October. The average of the NYMEX close and the six preceding trading days 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 that are presumably affecting the price of natural gas are:

- National gas storage inventories are less than 10% lower compared to the same period one year ago;¹
- Economic recovery could boost the demand for natural gas in the industrial sector;
- New domestic supplies from unconventional shale gas plays are coming on line;
- New pipelines are delivering new natural gas supplies to marketplace;
- Gas-fired electric generation loads will boost weather-driven demand for natural gas; and
- Gas supply disruptions during the hurricane season could boost prices.

During the three-month period under review, August 1, 2011 through October 31, 2011, LG&E estimates that its total purchases will be 11,315,379 MMBtu. LG&E expects that 5,059,379 MMBtu will be met with deliveries from TGT’s pipeline service under Rate NNS (5,353,079 MMBtu in pipeline deliveries less 293,700 MMBtu in net storage injections); 920,000 MMBtu will be met from deliveries under TGT’s pipeline service under Rate FT; 1,656,000 MMBtu will be met from deliveries under TGT’s pipeline service under Rate STF; 3,680,000 MMBtu will be

¹ The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending June 17, 2011, indicated that storage inventory levels were 10% lower than last year’s levels. Storage inventories across the nation are 258 Bcf (2,354 Bcf – 2,612 Bcf), or 10%, lower this year than the same period one year ago. Last year at this time, 2,612 Bcf was held in storage, while this year 2,354 Bcf is held in storage. Storage inventories across the nation are 64 Bcf (2,354 Bcf – 2,418 Bcf), or 3%, lower this year than the five-year average. On average for the last five years at this time, 2,418 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.

met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0; 0 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 1.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the NNS service is expected to be \$4.2260 per MMBtu in August 2011, \$4.2500 in September 2011, and \$4.2920 in October 2011. 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 \$4.2260 per MMBtu in August 2011, \$4.2500 in September 2011, and \$4.2920 in October 2011. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the STF service is expected to be \$4.2260 per MMBtu in August 2011, \$4.2500 in September 2011, and \$4.2920 in October 2011. 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 \$4.2460 per MMBtu in August 2011, \$4.2700 in September 2011, and \$4.3120 in October 2011, 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 \$4.2760 per MMBtu in August 2011, \$4.3000 in September 2011, and \$4.3420 in October 2011.

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 Rates NNS, FT, STF, and FT-A and the applicable retention percentages:

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>
August 2011	\$4.2260	3.56%	\$0.0633	\$4.4453
September 2011	\$4.2500	3.56%	\$0.0633	\$4.4702
October 2011	\$4.2920	3.56%	\$0.0633	\$4.5137

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

	ESTIMATED PRICE AS DELIVERED <u>TO TEXAS GAS</u>	RETENTION (ZONE 1 TO 4)	RATE FT TRANSPORT <u>CHARGE</u>	TOTAL ESTIMATED DELIVERED <u>PRICE</u>
August 2011	\$4.2260	2.82%	\$0.0219	\$4.3705
September 2011	\$4.2500	2.82%	\$0.0219	\$4.3952
October 2011	\$4.2920	2.82%	\$0.0219	\$4.4384

RATE STF
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S SHORT-TERM FIRM
TRANSPORTATION SERVICE RATE

	ESTIMATED PRICE AS DELIVERED <u>TO TEXAS GAS</u>	RETENTION (ZONE 1 TO 4)	RATE STF TRANSPORT <u>CHARGE</u>	TOTAL ESTIMATED DELIVERED <u>PRICE</u>
August 2011	\$4.2260	2.82%	\$0.0527	\$4.4013
September 2011	\$4.2500	2.82%	\$0.0527	\$4.4260
October 2011	\$4.2920	2.82%	\$0.0527	\$4.4692

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENNESSEE 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				
August 2011	\$4.2460	1.97%	\$0.0175	\$4.3488
September 2011	\$4.2700	1.97%	\$0.0175	\$4.3733
October 2011	\$4.3120	1.97%	\$0.0175	\$4.4162
Zone 1				
August 2011	\$4.2760	1.65%	\$0.0175	\$4.3652
September 2011	\$4.3000	1.65%	\$0.0175	\$4.3896
October 2011	\$4.3420	1.65%	\$0.0175	\$4.4323

The annual demand billings covering the 12 months from August 1, 2011 through July 31, 2012, for the firm contracts with natural gas suppliers are currently expected to be \$6,202,765.

Rate FT and Rate PS-FT

The demand-related supply costs applicable to the Daily Utilization Charge under Rates FT and PS-FT applicable during the three-month period of August 1, 2011 through October 31, 2011 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 NGA Gas Tariff
 Fourth Revised Volume No. 1
 Effective On: February 1, 2011

Section 4.4
 Currently Effective Rates - NNS
 Version 2.0.0

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

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
Zone SL			
Daily Demand	0.1800		0.1800
Commodity	0.0253	0.0019	0.0272
Overrun	0.2053	0.0019	0.2072
Zone 1			
Daily Demand	0.2782		0.2782
Commodity	0.0431	0.0019	0.0450
Overrun	0.3213	0.0019	0.3232
Zone 2			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0019	0.0479
Overrun	0.3548	0.0019	0.3567
Zone 3			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0019	0.0509
Overrun	0.4033	0.0019	0.4052
Zone 4			
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 6.16 of the General Terms and Conditions.
- 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, Customer shall pay 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 NGA Gas Tariff
 Fourth Revised Volume No. 1
 Effective On: February 1, 2011

Section 4.1
 Currently Effective Rates - FT
 Version 2.0.0

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 6.16 of the General Terms and Conditions.
- 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, Customer shall pay 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.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: February 1, 2011

Section 4.1
Currently Effective Rates - FT
Version 2.0.0

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 in Section 4.12.

Backhaul rates equal fronthaul rates to zone of delivery.

Notes:

- 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, Customer shall pay 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.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: February 1, 2011

Section 4.2
Currently Effective Rates - STF
Version 2.0.0

Currently Effective Maximum Transportation Rates (\$ per MMBtu)
For Service under Rate Schedule STF

	<u>Peak (Winter)-Demand</u>	<u>Off-Peak (Summer)-Demand</u>
	<u>Currently Effective Rates [1]</u>	<u>Currently Effective Rates [1]</u>
SL-SL	0.1188	0.0516
SL-1	0.2322	0.1009
SL-2	0.3172	0.1378
SL-3	0.3731	0.1621
SL-4	0.4701	0.2042
1-1	0.1873	0.0814
1-2	0.2723	0.1183
1-3	0.3282	0.1426
1-4	0.4252	0.1847
2-2	0.1992	0.0866
2-3	0.2551	0.1108
2-4	0.3492	0.1517
3-3	0.1766	0.0768
3-4	0.2707	0.1177
4-4	0.2056	0.0893

Notes:

- The STF commodity rate is the applicable FT commodity rate in Section 4.1. The STF overrun rate equals the daily demand rate plus applicable FT commodity rate. Minimum rate: Demand \$-0- The minimum commodity rate is presented in Section 4.12.
- 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, Customer shall pay 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.

Tennessee Gas Pipeline Company
FERC Gas Tariff
Sixth Revised Volume No. 1

Second Substitute Second Revised Sheet No. 14
Superseding
Second Revised Sheet No. 14

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates		DELIVERY ZONE							
RECEIPT	ZONE	0	L	1	2	3	4	5	6
	0	\$7.8388		\$15.0198	\$19.7726	\$20.1004	\$25.1838	\$26.6698	\$33.0885
	L		\$7.0992						
	1	\$11.3219		\$10.7586	\$13.9042	\$19.1763	\$21.6140	\$24.2473	\$29.4677
	2	\$19.7726		\$13.8422	\$7.7920	\$7.3650	\$10.1388	\$13.5681	\$17.1056
	3	\$20.1004		\$11.2131	\$7.8416	\$6.0071	\$9.5356	\$16.4342	\$18.7169
	4	\$25.1838		\$23.0587	\$9.7077	\$14.0281	\$8.3057	\$8.9007	\$12.1681
	5	\$29.7879		\$21.3027	\$10.0699	\$11.9223	\$9.1155	\$8.6128	\$10.7923
	6	\$34.2674		\$24.2865	\$17.1056	\$18.7169	\$15.2862	\$8.4620	\$7.4442

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT	ZONE	0	L	1	2	3	4	5	6
	0	\$0.2577		\$0.4938	\$0.6501	\$0.6608	\$0.8280	\$0.8768	\$1.0878
	L		\$0.2334						
	1	\$0.3722		\$0.3537	\$0.4571	\$0.6305	\$0.7106	\$0.7972	\$0.9688
	2	\$0.6501		\$0.4551	\$0.2562	\$0.2421	\$0.3333	\$0.4461	\$0.5624
	3	\$0.6608		\$0.3686	\$0.2578	\$0.1975	\$0.3135	\$0.5403	\$0.6154
	4	\$0.8280		\$0.7581	\$0.3192	\$0.4612	\$0.2731	\$0.2926	\$0.4000
	5	\$0.9793		\$0.7004	\$0.3311	\$0.3920	\$0.2997	\$0.2832	\$0.3548
	6	\$1.1266		\$0.7985	\$0.5624	\$0.6154	\$0.5026	\$0.2782	\$0.2447

Maximum Reservation Rates 2/		DELIVERY ZONE							
RECEIPT	ZONE	0	L	1	2	3	4	5	6
	0	\$7.8388		\$15.0198	\$19.7726	\$20.1004	\$25.1838	\$26.6698	\$33.0885
	L		\$7.0992						
	1	\$11.3219		\$10.7586	\$13.9042	\$19.1763	\$21.6140	\$24.2473	\$29.4677
	2	\$19.7726		\$13.8422	\$7.7920	\$7.3650	\$10.1388	\$13.5681	\$17.1056
	3	\$20.1004		\$11.2131	\$7.8416	\$6.0071	\$9.5356	\$16.4342	\$18.7169
	4	\$25.1838		\$23.0587	\$9.7077	\$14.0281	\$8.3057	\$8.9007	\$12.1681
	5	\$29.7879		\$21.3027	\$10.0699	\$11.9223	\$9.1155	\$8.6128	\$10.7923
	6	\$34.2674		\$24.2865	\$17.1056	\$18.7169	\$15.2862	\$8.4620	\$7.4442

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge of \$0.00 for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions.

RATES PER DEKATHERM

COMMODITY RATES
 RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT		DELIVERY ZONE							
ZONE	0	L	1	2	3	4	5	6	
0	\$0.0083		\$0.0305	\$0.0469	\$0.0582	\$0.0702	\$0.0797	\$0.0974	
L		\$0.0031							
1	\$0.0110		\$0.0215	\$0.0390	\$0.0475	\$0.0589	\$0.0720	\$0.0845	
2	\$0.0469		\$0.0231	\$0.0029	\$0.0073	\$0.0156	\$0.0281	\$0.0401	
3	\$0.0582		\$0.0475	\$0.0073	\$0.0006	\$0.0226	\$0.0332	\$0.0460	
4	\$0.0702		\$0.0544	\$0.0229	\$0.0278	\$0.0077	\$0.0130	\$0.0259	
5	\$0.0797		\$0.0720	\$0.0281	\$0.0332	\$0.0129	\$0.0127	\$0.0187	
6	\$0.0974		\$0.0845	\$0.0401	\$0.0460	\$0.0242	\$0.0115	\$0.0056	

Minimum
 Commodity Rates 1/, 2/ 3/

RECEIPT		DELIVERY ZONE							
ZONE	0	L	1	2	3	4	5	6	
0	\$0.0132		\$0.0438	\$0.0665	\$0.0821	\$0.0987	\$0.1118	\$0.1356	
L		\$0.0060							
1	\$0.0169		\$0.0314	\$0.0556	\$0.0673	\$0.0831	\$0.1012	\$0.1178	
2	\$0.0665		\$0.0336	\$0.0057	\$0.0118	\$0.0233	\$0.0405	\$0.0564	
3	\$0.0821		\$0.0673	\$0.0118	\$0.0025	\$0.0329	\$0.0476	\$0.0646	
4	\$0.0987		\$0.0769	\$0.0334	\$0.0401	\$0.0123	\$0.0197	\$0.0368	
5	\$0.1118		\$0.1012	\$0.0405	\$0.0476	\$0.0195	\$0.0193	\$0.0269	
6	\$0.1356		\$0.1178	\$0.0564	\$0.0646	\$0.0345	\$0.0169	\$0.0088	

Maximum
 Commodity Rates 1/, 2/, 3/, 4/

RECEIPT		DELIVERY ZONE							
ZONE	0	L	1	2	3	4	5	6	
0	\$0.0132		\$0.0438	\$0.0665	\$0.0821	\$0.0987	\$0.1118	\$0.1356	
L		\$0.0060							
1	\$0.0169		\$0.0314	\$0.0556	\$0.0673	\$0.0831	\$0.1012	\$0.1178	
2	\$0.0665		\$0.0336	\$0.0057	\$0.0118	\$0.0233	\$0.0405	\$0.0564	
3	\$0.0821		\$0.0673	\$0.0118	\$0.0025	\$0.0329	\$0.0476	\$0.0646	
4	\$0.0987		\$0.0769	\$0.0334	\$0.0401	\$0.0123	\$0.0197	\$0.0368	
5	\$0.1118		\$0.1012	\$0.0405	\$0.0476	\$0.0195	\$0.0193	\$0.0269	
6	\$0.1356		\$0.1178	\$0.0564	\$0.0646	\$0.0345	\$0.0169	\$0.0088	

Notes:

- 1/ includes a per Dth charge for:
 (ACA) Annual Charge Adjustment \$0.0019
- 2/ The applicable F&LR pursuant to Article XXXVII of the General Terms and Conditions are listed on Sheet No. 32. For service that is rendered entirely by displacement, shipper shall render only the quantity of gas associated with Losses of 0.09%.
- 3/ Includes a per Dth charge for EPCR Adjustment per Article XXXVIII of the General Terms and Conditions and listed on Sheet No. 33.
- 4/ Includes a per Dth charge for the Hurricane Surcharge Adjustment per Article XXXIX of the General Terms and Conditions and listed on Sheet No. 34.

Tennessee Gas Pipeline Company
FERC Gas Tariff
Sixth Revised Volume No. 1

Substitute First Revised Sheet No. 33
Superseding
First Revised Sheet No. 33

ELECTRIC POWER COST RECOVERY ADJUSTMENT 3/
=====

TRANSPORTATION 1/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0030		\$0.0114	\$0.0177	\$0.0220	\$0.0266	\$0.0302	\$0.0363
L		\$0.0010						
1	\$0.0040		\$0.0080	\$0.0147	\$0.0179	\$0.0223	\$0.0273	\$0.0314
2	\$0.0177		\$0.0086	\$0.0009	\$0.0026	\$0.0058	\$0.0105	\$0.0144
3	\$0.0220		\$0.0179	\$0.0026	\$0.0000	\$0.0084	\$0.0125	\$0.0167
4	\$0.0266		\$0.0206	\$0.0086	\$0.0104	\$0.0027	\$0.0048	\$0.0090
5	\$0.0302		\$0.0273	\$0.0105	\$0.0125	\$0.0047	\$0.0047	\$0.0063
6	\$0.0363		\$0.0314	\$0.0144	\$0.0167	\$0.0084	\$0.0035	\$0.0013

ELECTRIC POWER COST RECOVERY ADJUSTMENT 3/
=====

STORAGE 2/

\$0.000

- 1/ The EPCR listed above are applicable to FT-A, FT-BH, FT-G, FT-GS, NET, NET-284 and IT.
- 2/ The EPCR listed above is applicable to FS-MA, FS-PA, IS-MA, and IS-PA
- 3/ EPCR determined pursuant to Article XXXVIII of the General Terms and Conditions.

Tennessee Gas Pipeline Company
 FERC Gas Tariff
 Sixth Revised Volume No. 1

Substitute Original Sheet No. 34
 Superseding
 Original Sheet No. 34

HURRICANE SURCHARGE ADJUSTMENT 1/, 2/
 =====

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
L		\$0.0000						
1	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
2	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
3	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
4	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
5	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
6	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

- 1/ The Hurricane Surcharge Adjustments listed above are applicable to FT-A, FT-BH, FT-G, FT-GS, NET, NET-284 and IT.
- 2/ The Hurricane Surcharge Adjustment determined pursuant to Article XXXIX of the General Terms and Conditions.

Tennessee Gas Pipeline Company
FERC Gas Tariff
Sixth Revised Volume No. 1

Substitute Second Revised Sheet No. 14
Superseding
Second Revised Sheet No. 14

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$7.8388		\$15.0198	\$19.7726	\$20.1004	\$25.1838	\$26.6698	\$33.0885	
L		\$7.0992							
1	\$11.3219		\$10.7586	\$13.9042	\$19.1763	\$21.6140	\$24.2473	\$29.4677	
2	\$19.7726		\$13.8422	\$7.7920	\$7.3650	\$10.1388	\$13.5681	\$17.1056	
3	\$20.1004		\$11.2131	\$7.8416	\$6.0071	\$9.5356	\$16.4342	\$18.7169	
4	\$25.1838		\$23.0587	\$9.7077	\$14.0281	\$8.3057	\$8.9007	\$12.1681	
5	\$29.7879		\$21.3027	\$10.0699	\$11.9223	\$9.1155	\$8.6128	\$10.7923	
6	\$34.2674		\$24.2865	\$17.1056	\$18.7169	\$15.2862	\$8.4620	\$7.4442	

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$0.2577		\$0.4938	\$0.6501	\$0.6608	\$0.8280	\$0.8768	\$1.0878	
L		\$0.2334							
1	\$0.3722		\$0.3537	\$0.4571	\$0.6305	\$0.7106	\$0.7972	\$0.9688	
2	\$0.6501		\$0.4551	\$0.2562	\$0.2421	\$0.3333	\$0.4461	\$0.5624	
3	\$0.6608		\$0.3686	\$0.2578	\$0.1975	\$0.3135	\$0.5403	\$0.6154	
4	\$0.8280		\$0.7581	\$0.3192	\$0.4612	\$0.2731	\$0.2926	\$0.4000	
5	\$0.9793		\$0.7004	\$0.3311	\$0.3920	\$0.2997	\$0.2832	\$0.3548	
6	\$1.1266		\$0.7985	\$0.5624	\$0.6154	\$0.5026	\$0.2782	\$0.2447	

Maximum Reservation Rates 2/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$7.8388		\$15.0198	\$19.7726	\$20.1004	\$25.1838	\$26.6698	\$33.0885	
L		\$7.0992							
1	\$11.3219		\$10.7586	\$13.9042	\$19.1763	\$21.6140	\$24.2473	\$29.4677	
2	\$19.7726		\$13.8422	\$7.7920	\$7.3650	\$10.1388	\$13.5681	\$17.1056	
3	\$20.1004		\$11.2131	\$7.8416	\$6.0071	\$9.5356	\$16.4342	\$18.7169	
4	\$25.1838		\$23.0587	\$9.7077	\$14.0281	\$8.3057	\$8.9007	\$12.1681	
5	\$29.7879		\$21.3027	\$10.0699	\$11.9223	\$9.1155	\$8.6128	\$10.7923	
6	\$34.2674		\$24.2865	\$17.1056	\$18.7169	\$15.2862	\$8.4620	\$7.4442	

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge of \$0.00 for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions.

Tennessee Gas Pipeline Company
FERC Gas Tariff
Sixth Revised Volume No. 1

Substitute First Revised Sheet No. 15
Superseding
First Revised Sheet No. 15

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	\$0.0083		\$0.0305	\$0.0469	\$0.0582	\$0.0702	\$0.0797	\$0.0974
L		\$0.0031						
1	\$0.0110		\$0.0215	\$0.0390	\$0.0475	\$0.0589	\$0.0720	\$0.0845
2	\$0.0469		\$0.0231	\$0.0029	\$0.0073	\$0.0156	\$0.0281	\$0.0401
3	\$0.0582		\$0.0475	\$0.0073	\$0.0006	\$0.0226	\$0.0332	\$0.0460
4	\$0.0702		\$0.0544	\$0.0229	\$0.0278	\$0.0077	\$0.0130	\$0.0259
5	\$0.0797		\$0.0720	\$0.0281	\$0.0332	\$0.0129	\$0.0127	\$0.0187
6	\$0.0974		\$0.0845	\$0.0401	\$0.0460	\$0.0242	\$0.0115	\$0.0056

Minimum Commodity Rates 1/, 2/ 3/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0132		\$0.0438	\$0.0665	\$0.0821	\$0.0987	\$0.1118	\$0.1356
L		\$0.0060						
1	\$0.0169		\$0.0314	\$0.0556	\$0.0673	\$0.0831	\$0.1012	\$0.1178
2	\$0.0665		\$0.0336	\$0.0057	\$0.0118	\$0.0233	\$0.0405	\$0.0564
3	\$0.0821		\$0.0673	\$0.0118	\$0.0025	\$0.0329	\$0.0476	\$0.0646
4	\$0.0987		\$0.0769	\$0.0334	\$0.0401	\$0.0123	\$0.0197	\$0.0368
5	\$0.1118		\$0.1012	\$0.0405	\$0.0476	\$0.0195	\$0.0193	\$0.0269
6	\$0.1356		\$0.1178	\$0.0564	\$0.0646	\$0.0345	\$0.0169	\$0.0088

Maximum Commodity Rates 1/, 2/, 3/, 4/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0132		\$0.0438	\$0.0665	\$0.0821	\$0.0987	\$0.1118	\$0.1356
L		\$0.0060						
1	\$0.0169		\$0.0314	\$0.0556	\$0.0673	\$0.0831	\$0.1012	\$0.1178
2	\$0.0665		\$0.0336	\$0.0057	\$0.0118	\$0.0233	\$0.0405	\$0.0564
3	\$0.0821		\$0.0673	\$0.0118	\$0.0025	\$0.0329	\$0.0476	\$0.0646
4	\$0.0987		\$0.0769	\$0.0334	\$0.0401	\$0.0123	\$0.0197	\$0.0368
5	\$0.1118		\$0.1012	\$0.0405	\$0.0476	\$0.0195	\$0.0193	\$0.0269
6	\$0.1356		\$0.1178	\$0.0564	\$0.0646	\$0.0345	\$0.0169	\$0.0088

Notes:

- 1/ Includes a per Dth charge for:
(ACA) Annual Charge Adjustment \$0.0019
- 2/ The applicable F&LR pursuant to Article XXXVII of the General Terms and Conditions are listed on Sheet No. 32. For service that is rendered entirely by displacement, shipper shall render only the quantity of gas associated with Losses of 0.5%.
- 3/ Includes a per Dth charge for EPCR Adjustment per Article XXXVIII of the General Terms and Conditions and listed on Sheet No. 33.
- 4/ Includes a per Dth charge for the Hurricane Surcharge Adjustment per Article XXXIX of the General Terms and Conditions and listed on Sheet No. 34.

Tennessee Gas Pipeline Company
FERC Gas Tariff
Sixth Revised Volume No. 1

First Revised Sheet No. 33
Superseding
Original Sheet Nos. 33 - 43

ELECTRIC POWER COST RECOVERY ADJUSTMENT 3/
=====

TRANSPORTATION 1/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0030		\$0.0114	\$0.0177	\$0.0220	\$0.0266	\$0.0302	\$0.0363
L		\$0.0010						
1	\$0.0040		\$0.0080	\$0.0147	\$0.0179	\$0.0223	\$0.0273	\$0.0314
2	\$0.0177		\$0.0086	\$0.0009	\$0.0026	\$0.0058	\$0.0105	\$0.0144
3	\$0.0220		\$0.0179	\$0.0026	\$0.0000	\$0.0084	\$0.0125	\$0.0167
4	\$0.0266		\$0.0206	\$0.0086	\$0.0104	\$0.0027	\$0.0048	\$0.0090
5	\$0.0302		\$0.0273	\$0.0105	\$0.0125	\$0.0047	\$0.0047	\$0.0063
6	\$0.0363		\$0.0314	\$0.0144	\$0.0167	\$0.0084	\$0.0035	\$0.0013

ELECTRIC POWER COST RECOVERY ADJUSTMENT 3/
=====

STORAGE 2/

\$0.000

- 1/ The EPCR listed above are applicable to FT-A, FT-BH, FT-G, FT-GS, NET, NET-284 and IT.
2/ The EPCR listed above is applicable to FS-MA, FS-PA, IS-MA, and IS-PA
3/ EPCR determined pursuant to Article XXXVIII of the General Terms and Conditions.

Tennessee Gas Pipeline Company
FERC Gas Tariff
Sixth Revised Volume No. 1

Original Sheet No. 34

HURRICANE SURCHARGE ADJUSTMENT 1/, 2/
=====

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
L		\$0.0000						
1	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
2	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
3	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
4	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
5	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
6	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

- 1/ The Hurricane Surcharge Adjustments listed above are applicable to FT-A, FT-BH, FT-G, FT-GS, NET, NET-284 and IT.
- 2/ The Hurricane Surcharge Adjustment determined pursuant to Article XXXIX of the General Terms and Conditions.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2011-00XXX****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 2010-00525 during the three-month period of February 1, 2011 through April 30, 2011, was \$1,732,805. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a charge of 0.543¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after August 1, 2011, 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 through April 2011. [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 2009-00457, with service rendered through July 31, 2011, 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 2011.

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

Current Quarter Actual Adjustment:	
Effective August 1, 2011 from 2010-00525	0.543 cents/Ccf
Previous Quarter Actual Adjustment:	
Effective May 1, 2011 from 2010-00387	0.129 cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective February 1, 2011 from 2010-00263	(1.557) cents/Ccf
3rd Previous Quarter Actual Adjustment:	
Effective November 1, 2010 from 2010-00140	(0.173) cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	(1.058) cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Gas Cost Actual Adjustment
 Which Compensates for Over- or Under-
 Recoveries of Gas Supply Costs

Start Date	End Date	Case Number	Total Dollars of Gas Cost Recovered ¹	(2) Gas Supply Cost Per Books ²		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
				(1) Cost Recovery Under GSC Compared to Actual Gas Supply Costs	(3) Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries					
Feb-2006	Apr-2006	1 (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	2 (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	3 (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	4 (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	5 (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	6 (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	7 (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	8 (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	9 (Case No. 2007-00559)	103,258,883	119,589,310	(16,330,427)	32,320,126	\$0.5053	\$0.05053	8/1/2008	
May-2008	Jul-2008	10 (Case No. 2008-00117)	33,383,585	42,952,739	(9,569,154)	31,639,729	\$0.3024	\$0.03024	11/1/2008	
Aug-2008	Oct-2008	11 (Case No. 2008-00246)	50,053,758	28,898,124	21,155,634	31,498,657	(\$0.6716)	(\$0.06716)	2/1/2009	
Nov-2008	Jan-2009	12 (Case No. 2008-00430)	160,934,391	149,043,803	11,890,588	31,428,998	(\$0.3783)	(\$0.03783)	5/1/2009	
Feb-2009	Apr-2009	13 (Case No. 2008-00564)	95,581,282	87,981,656	7,599,626	31,397,214	(\$0.2420)	(\$0.02420)	8/1/2009	
May-2009	Jul-2009	14 (Case No. 2009-00140)	15,921,233	11,144,190	4,777,043	31,406,285	(\$0.1521)	(\$0.01521)	11/1/2009	
Aug-2009	Oct-2009	15 (Case No. 2009-00248)	18,715,662	14,915,016	3,800,636	31,751,457	(\$0.1197)	(\$0.01197)	2/1/2010	
Nov-2009	Jan-2010	16 (Case No. 2009-00395)	97,434,409	98,877,723	(1,443,314)	31,630,904	\$0.0456	\$0.00456	5/1/2010	
Feb-2010	Apr-2010	17 (Case No. 2009-00457)	69,543,463	67,237,660	2,305,803	31,614,470	(\$0.0729)	(\$0.00729)	8/1/2010	
May-2010	Jul-2010	18 (Case No. 2010-00140)	14,187,592	13,637,314	550,278	31,886,918	(\$0.0173)	(\$0.00173)	11/1/2010	
Aug-2010	Oct-2010	19 (Case No. 2010-00263)	18,348,910	13,370,152	4,978,758	31,985,477	(\$0.1557)	(\$0.01557)	2/1/2011	
Nov-2010	Jan-2011	20 (Case No. 2010-00387)	93,708,777	94,120,400	(411,623)	31,929,816	\$0.0129	\$0.00129	5/1/2011	
Feb-2011	Apr-2011	21 (Case No. 2010-00525)	58,344,142	60,076,947	(1,732,805)	31,915,052	\$0.0543	\$0.00543	8/1/2011	

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	November 1, 2009 through January 31, 2010	February 1, 2010 through April 30, 2010	May 1, 2010 through July 31, 2010	August 1, 2010 through October 31, 2010	November 1, 2010 through January 31, 2011	February 1, 2011 through April 30, 2011
1	2009	1,956,901					
2	NOV	847,608					
3	DEC	4,083,605					
4	2010	6,933,709					
5	JAN	3,441,834					
6	FEB	6,580,311	3,138,477				
7	MAR	5,395,810	5,395,810				
8	APR	2,113,814	2,113,814				
9	MAY	1,119,086	497,841				
10	JUN	876,895		621,245			
11	JULY	743,913		876,895			
12	AUG	662,686		743,913			
13	SEP	712,178		280,915			
14	OCT	881,009			381,771		
15	NOV	1,733,121			712,178		
16	DEC	4,910,152			881,009		
17	JAN	7,499,514			811,643		
18	FEB	5,965,533				921,478	2,409,681
19	MAR	4,299,476				4,910,152	4,299,476
20	APR	2,828,499				7,499,514	2,828,499
21	MAY	1,553,116				3,555,852	852,724
20	Applicable Mcf Sales During 3 Month Period	15,306,756	11,145,941	2,522,968	2,786,602	16,886,997	10,390,380
21	Gas Supply Clause Case No.	2009-00395	2009-00457	2010-00140	2010-00263	2010-00387	2010-00525
22	Gas Supply Cost Recovered Per Mcf Sold	6.2628	6.2112	5.5515	6.4243	5.4901	5.4160
23	Dollars of Recovery Under GSC	\$ 95,863,150	\$ 69,229,671	\$ 14,006,257	\$ 17,901,964	\$ 92,711,302	\$ 56,274,299
24	Total Dollars Recovered During 3-Month Period	6,230	5,325	4,773	15,197	16,446	6,197
25	Mcf of Customer-Owned Gas Transported Under Rate TS	0.9732	0.9783	0.9819	0.9824	0.8755	0.8726
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period	\$ 6,063	\$ 5,209	\$ 4,687	\$ 14,930	\$ 14,398	\$ 5,407
27	Pipeline Suppliers' Demand Component Per Mcf	\$ 325,650	\$ 150,823	\$ 176,648	\$ 208,141	\$ 338,700	\$ 154,196
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)	\$ 1,239,545	\$ 157,760	\$ -	\$ 223,875	\$ 644,377	\$ 1,910,240
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$ 97,434,409	\$ 69,543,463	\$ 14,187,592	\$ 18,348,910	\$ 93,708,777	\$ 58,344,142
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)						

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)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Billing Month	Case Number	UCDI Demand Chrg./Mcf	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	MMBTU Adjust. (Mcf)	MMBTU Adjust. (\$)	UCDI Mcf	UCDI \$ [(3) x (10)]	OFO \$	Monthly \$'s Recovered [(9)+(7)-(9)+(10)]
2009 Feb	2008-00564	0.2128	5,424.7	\$33,816.78	3,097.0	\$ 15,459.65	125,374.3	\$26,679.65	\$0.00	\$75,956.08
Mar	2008-00564	0.2128	1,279.9	\$6,602.77	2,500.0	\$ 11,516.64	95,329.3	\$20,286.08	\$0.00	\$38,405.49
Apr	2008-00564	0.2128	2,710.1	\$11,834.10	1,207.0	\$ 4,532.46	92,552.1	\$19,695.09	\$0.00	\$36,051.65
Total FT Revenues \$150,423.21										
2009 May	2009-00140	0.1928	3,889.7	\$18,545.73	-	\$ -	56,224.7	\$10,840.12	\$0.00	\$29,385.85
Jun	2009-00140	0.1928	5,387.0	\$24,707.84	-	\$ -	62,931.2	\$12,133.14	\$0.00	\$36,840.96
Jul	2009-00140	0.1928	14,081.1	\$54,957.58	-	\$ -	51,217.7	\$9,874.77	\$0.00	\$64,832.35
Total FT Revenues \$131,059.18										
2009 Aug	2009-00248	0.1928	2,985.6	\$11,748.33	-	\$ -	53,754.8	\$10,363.93	\$0.00	\$22,112.26
Sept	2009-00248	0.1928	18,592.6	\$68,106.52	-	\$ -	72,007.5	\$13,883.05	\$0.00	\$81,989.57
Oct	2009-00248	0.1928	10,618.5	\$57,695.26	-	\$ -	78,674.6	\$15,168.46	\$0.00	\$72,863.72
Total FT Revenues \$176,965.54										
2009 Nov	2009-00395	0.1881	23,838.0	\$122,061.68	-	\$ -	71,325.9	\$13,416.40	\$0.00	\$135,478.08
Dec	2009-00395	0.1881	6,173.7	\$40,850.44	-	\$ -	144,974.3	\$27,269.67	\$34,054.51	\$102,174.62
2010 Jan	2009-00395	0.1881	3,149.3	\$23,558.22	-	\$ -	241,661.2	\$45,456.47	\$18,982.74	\$87,997.43
Total FT Revenues \$325,650.13										
2010 Feb	2009-00457	0.1876	2,938.6	\$18,001.86	-	\$ -	194,324.7	\$36,455.31	\$323.41	\$54,780.58
Mar	2009-00457	0.1876	8,347.8	\$41,989.44	-	\$ -	103,776.6	\$19,468.49	\$0.00	\$61,457.93
Apr	2009-00457	0.1876	2,076.2	\$9,114.52	-	\$ -	135,766.4	\$25,468.78	\$0.00	\$34,584.30
Total FT Revenues \$150,822.81										
2010 May	2010-00140	0.1876	2,369.1	\$11,016.32	-	\$ -	89,954.0	\$16,875.37	\$0.00	\$27,891.69
Jun	2010-00140	0.1876	9,675.4	\$51,424.75	-	\$ -	61,562.2	\$11,549.07	\$0.00	\$62,973.82
Jul	2010-00140	0.1876	13,788.0	\$73,283.22	-	\$ -	66,628.8	\$12,499.56	\$0.00	\$85,782.78
Total FT Revenues \$176,648.29										
2010 Aug	2010-00263	0.1876	4,571.7	\$26,244.32	-	\$ -	47,201.2	\$8,854.95	\$0.00	\$35,099.27
Sep	2010-00263	0.1876	11,779.6	\$50,357.79	-	\$ -	65,712.9	\$12,327.74	\$0.00	\$62,685.53
Oct	2010-00263	0.1876	23,284.2	\$93,753.92	-	\$ -	88,500.8	\$16,602.75	\$0.00	\$110,356.67
Total FT Revenues \$208,141.47										
2010 Nov	2010-00387	0.1848	32,322.8	\$146,250.76	-	\$ -	95,937.2	\$17,729.19	\$0.00	\$163,979.95
Dec	2010-00387	0.1848	7,184.5	\$36,533.18	-	\$ -	246,546.5	\$45,561.79	\$56,416.90	\$138,511.87
2011 Jan	2010-00387	0.1848	766.1	\$4,056.63	-	\$ -	169,885.6	\$31,394.86	\$7,173.19	\$36,207.78
Total FT Revenues \$338,699.60										
2011 Feb	2010-00525	0.1847	1,986.9	\$10,320.78	-	\$ -	106,431.5	\$19,657.90	\$2,596.50	\$32,575.18
Mar	2010-00525	0.1847	12,438.6	\$57,279.74	-	\$ -	91,645.4	\$16,926.91	\$0.00	\$74,206.65
Apr	2010-00525	0.1847	5,924.5	\$27,231.62	-	\$ -	109,274.4	\$20,182.98	\$0.00	\$47,414.60
Total FT Revenues \$154,196.43										

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.

Note: Effective February 6, 2009, Rate RBS was eliminated per PSC Order dated February 5, 2009, in Case No. 2008-00252.

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

	Mcf Purchases	Purchases for OSS	Purchases for Dep'ts. other Than Gas Dept.	Less: Purchases Injected Into Storage	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	DOLLARS Less: Purchases Injected Into Storage	Plus: Cost of Gas Withdrawn From Storage	Plus Storage Losses	Plus: Other Gas Purchase Expenses	Total Gas Supply Cost
February	2,576,368	0	0	0	2,664,440	35,962	5,276,593	16,099,997	0	(1,535)	0	25,846,365	362,346	(313)	43,306,858
March	1,638,944	0	(6,159)	(11,499)	1,674,832	31,142	3,327,260	10,174,357	0	(62,057)	(71,390)	16,862,041	313,535	6,912	27,223,397
April	754,580	0	(17)	0	1,332,024	26,162	2,112,749	3,770,813	0	(176)	0	13,410,684	263,396	6,683	17,451,401
Total February 2009 thru April 2009							10,716,602								87,981,656
May	774,989	0	(422)	0	279,160	27,161	1,080,888	1,015,515	0	(4,250)	0	2,810,555	273,454	5,622	4,100,896
June	2,436,319	0	(5,309)	(1,611,759)	1,707	28,441	849,399	9,930,387	0	(54,793)	(6,604,021)	12,895	214,858	5,665	3,504,991
July	3,670,873	0	4,074	(2,835,121)	399	35,232	875,457	14,734,132	0	40,885	(11,457,291)	2,415	213,256	4,906	3,538,303
Total May 2009 thru July 2009							2,805,744								11,144,190
August	3,661,260	0	(131)	(2,890,289)	358	40,857	812,046	13,261,843	0	(1,292)	(10,543,807)	1,905	217,376	4,247	2,940,271
September	3,620,531	0	(65)	(2,767,725)	361	44,747	897,859	12,336,177	0	(540)	(9,545,884)	1,768	3,081	3,013,697	
October	4,042,331	0	(137)	(2,148,607)	1,040	49,082	1,943,709	18,748,639	0	(1,285)	(10,035,069)	5,057	238,656	5,050	8,961,048
Total August 2009 thru October 2009							3,653,614								14,915,016
November	2,167,654	0	(150)	(99,459)	659,461	54,204	2,781,710	12,355,375	0	(151)	(579,438)	3,210,982	263,897	2,143	15,252,807
December	3,994,643	228,847	(25)	(158,663)	2,257,089	46,871	6,368,762	23,583,956	1,036,791	(243)	(947,996)	11,018,657	228,815	2,326	34,922,305
January	4,877,608	0	(3,522)	(17,272)	2,982,982	41,185	7,880,981	34,079,518	0	(30,903)	(121,712)	14,572,165	201,193	2,351	48,702,612
Total November 2009 thru January 2010							17,031,453								98,877,723
February	3,878,520	28,293	(4,362)	(33,240)	2,927,676	36,077	6,832,964	25,271,789	151,670	(33,146)	(218,576)	14,321,020	176,474	2,441	39,671,672
March	2,032,205	0	(2,568)	(62,925)	1,579,079	31,107	3,586,908	13,343,493	0	11,572	(353,396)	7,750,909	152,689	3,279	20,908,546
April	374,174	0	(915)	0	962,557	27,510	1,363,325	1,799,288	0	(4,492)	0	4,724,615	135,030	3,000	6,657,442
Total February 2010 thru April 2010							11,783,198								67,237,660
May	380,442	0	(525)	0	812,417	27,504	1,219,838	1,843,701	0	(2,619)	0	3,987,749	135,003	2,645	5,966,479
June	2,347,475	0	(1,899)	(1,610,308)	727	29,105	765,100	12,306,697	0	(9,849)	(8,561,202)	3,694	147,900	2,624	3,889,863
July	3,673,725	0	(90)	(2,955,369)	397	34,824	753,487	19,289,947	0	(401)	(15,693,600)	2,057	180,461	2,508	3,780,972
Total May 2010 thru July 2010							2,738,425								13,637,314
August	3,568,417	0	(489)	(2,843,349)	238	42,082	766,899	17,905,651	0	(2,495)	(14,507,051)	1,228	217,072	2,885	3,617,390
September	3,548,147	58,536	(101)	(2,768,192)	29,316	45,312	913,018	15,241,633	214,200	(575)	(12,094,508)	145,994	225,654	2,780	3,735,177
October	3,254,524	0	(97)	(1,940,620)	818	49,670	1,364,295	14,655,268	0	(477)	(8,888,622)	4,029	244,630	2,757	6,017,585
Total Aug 2010 thru Oct 2010							3,044,212								13,370,152
November	3,296,004	167,011	(878)	(119,089)	75,345	54,240	3,472,633	15,060,953	551,219	(4,201)	(552,418)	370,893	267,013	2,483	15,685,942
December	5,706,876	0	(3,167)	(404,016)	2,251,740	47,663	7,599,296	29,210,960	0	(15,987)	(2,084,682)	11,099,502	235,931	3,356	38,449,080
January	4,481,843	0	(3,063)	0	3,276,581	41,484	7,796,845	23,631,881	0	(15,099)	0	16,151,251	204,487	2,859	39,973,378
Total November 2010 thru January 2011							18,868,774								94,120,400
February	2,377,796	144,081	(2,134)	0	2,844,904	35,172	5,399,619	13,803,133	630,606	(10,516)	0	14,023,385	173,373	3,109	28,623,091
March	1,863,975	298,154	(2,492)	0	1,963,775	30,437	4,173,849	10,777,227	1,141,207	(12,285)	0	9,776,424	150,030	3,039	21,837,642
April	661,011	0	(1,336)	(10,253)	1,017,732	26,726	1,713,880	4,537,396	0	(6,585)	(71,256)	5,021,999	131,879	2,782	9,616,214
Total February 2011 thru April 2011							11,287,548								60,076,947

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2011-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over- or under-recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The over-recovery that must be refunded under the Gas Cost Balance Adjustment (GCBA) during the period of August 1, 2011 through October 31, 2011, set forth on Page 1 of Exhibit C-1, is \$122,651. The GCBA factor required to refund this over-recovery is a credit of 0.386¢ per 100 cubic feet. LG&E will place this credit into effect with service rendered on and after August 1, 2011 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2011-00119, which, with service rendered through July 31, 2011, 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, 2011.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Implemented for Three-Month Period With Service Rendered On and After:	Remaining Over (Under) Recovery From GCAA ¹ (\$)	Amt. Transferred From Refund Factor & PBRRC (\$)	GCBA From Second Preceding 3 Mo. Period (\$)	Applicable Sales During 3 Mo. Period ² (mcf)	GCBA Factor From Second Preceding 3 Mo. Period (cents/mcf)	Recovery Under GCBA (\$)	Remaining Over (Under) Recovery (\$)	Deferred Amounts (\$)	Total Remaining Over (Under) Recovery (\$)	Expected Sales For 3 Mo. Period (mcf)	GCBA (cents/mcf)	GCBA (cents/ccf)
						(5) x (6)	(4) + (7)		(2 + 3 + 8 + 9)			
August 1, 2006 (Case No. 2006-00335)	(1,339,631)	(270,087) ⁴	(501,914)	7,486,966	4.05	303,222	(198,692)		(1,808,410)	3,756,552	48.14	4.814
November 1, 2006 (Case No. 2006-00431)	123,552		658,193	2,752,572	(20.94)	(576,369)	81,804		205,356	15,898,032	(1.29)	(0.129)
February 1, 2007 (Case No. 2007-00001)	340,264		(1,711,456) ⁵	3,767,428	48.14	1,813,640	102,184		442,448	11,775,388	(3.76)	(0.376)
May 1, 2007 (Case No. 2007-00141)	(3,153,475)		205,356	13,581,993	(1.29)	(175,208)	30,149		(3,123,326)	2,901,342	107.65	10.765
August 1, 2007 (Case No. 2007-00267)	2,151,894	(470,308) ⁴	442,448	12,051,122	(3.76)	(453,122)	(10,674)		1,670,912	3,349,006	(49.89)	(4.989)
November 1, 2007 (Case No. 2007-00428)	2,200,035	20,942 ⁶	(3,123,326)	2,614,844	107.65	2,814,880	(308,446)		1,912,531	15,504,337	(12.34)	(1.234)
February 1, 2008 (Case No. 2007-00559)	8,454		1,670,912	2,869,583	(49.89)	(1,431,635)	299,277		247,741	11,191,562	(2.21)	(0.221)
May 1, 2008 (Case No. 2008-00117)	150,798		1,912,531	14,429,576	(12.34)	(1,780,610)	131,921		282,719	2,745,844	(10.30)	(1.030)
August 1, 2008 (Case No. 2008-00246)	(169,651)	(260,366) ⁴	247,741	12,450,630	(2.21)	(275,159)	(27,418)		(457,436)	3,682,115	12.42	1.242
November 1, 2008 (Case No. 2008-00430)	(239,644)		282,719	2,898,628	(10.30)	(298,559)	(15,839)		(255,483)	15,435,648	1.66	0.166
February 1, 2009 (Case No. 2008-00564)	(42,473)	(1,307,422) ⁷	(457,436)	3,162,873	12.42	392,829	(64,607)		(1,414,502)	11,250,108	12.57	1.257
May 1, 2009 (Case No. 2009-00140)	(277,968)		(255,483)	15,899,387	1.66	263,930	8,446		(289,522)	2,870,045	9.39	0.939
August 1, 2009 (Case No. 2009-00248)	34,233	142,782 ⁴	(1,414,502)	10,527,702	12.57	1,323,332	(91,170)		85,845	3,348,186	(2.56)	(0.256)
November 1, 2009 (Case No. 2009-00395)	(61,729)		(269,522)	2,606,156	9.39	244,718	(24,804)		(86,533)	15,002,877	0.98	0.098
February 1, 2010 (Case No. 2009-00457)	207,342		85,845	3,296,439	(2.56)	(84,389)	1,456		208,798	11,471,206	(1.82)	(0.182)
May 1, 2010 (Case No. 2010-00140)	(158,970)		(86,533)	15,306,756	0.58	88,779	2,246		(156,724)	2,789,591	5.62	0.562
August 1, 2010 (Case No. 2010-00263)	(349,419)	416,195 ⁸	208,798	11,145,941	(1.82)	(202,856)	5,942		(225,156)	3,277,139	(2.22)	(0.222)
November 1, 2010 (Case No. 2010-00387)	(210,223)		(156,724)	2,522,968	5.62	141,791	(14,933)		(43,142)	14,305,587	1.57	0.157
February 1, 2011 (Case No. 2010-00525)	(53,998)		72,719	2,786,602	(2.22)	(61,863)	10,856		(160,548)	12,001,853	0.36	0.036
May 1, 2011 (Case No. 2011-00119)	(190,462)	(10,056) ⁹	(225,156)	16,886,997	1.57	265,126	39,970		122,651	2,917,118	5.50	0.550
August 1, 2011 (Case No. 2011-00xxx)	42,651	85,738 ⁴	(43,142)	10,390,380	0.36	37,405	(5,737)		(3,886)	3,181,360 ³	(0.386)	(0.386)

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, 2011 through October 31, 2011.
 4 Reconciliation of the PBRCC from previous twelve months.
 5 Reconciliation 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).
 6 This amount represents an over-refund by LG&E from the FERC settlement of the rate case filed by Texas Gas in Docket No. RP05-317 of a pipeline supplier refund.
 7 This amount represents an over-refund by LG&E from Case No. 2007-00141 due to an input error as explained in Exhibit B in Case No. 2007-00559. This adjustment corrects that error.
 8 Of the total of \$416,195, \$(42,762) represents the reconciliation of the PBRCC from previous twelve months, and \$458,957 represents the total over-recovery related to misstated sales as corrected in this filing.
 9 This amount represents the (Over)Under refund by LG&E from the Tennessee Gas Pipeline Company Refund from the previous twelve months.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2011-00XXX**

Refund Factors (RF) continuing for twelve months from the effective data 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 Tennessee Gas Pipeline Company ("Tennessee").

The Federal Energy Regulatory Commission ("FERC") approved the settlement filed by Tennessee in Docket Nos. RP91-203 and RP92-132 regarding refunds related to amounts collected by Tennessee to cover certain of its PCB remediation costs. Such amounts have been over-collected by Tennessee and are now being refunded to its customers in installments through April 2012. The refunds approved became effective December 3, 2009, covering the period from November 1, 1996 (when LG&E first began taking firm service from Tennessee under Rate Schedule FT-A) through June 30, 2000 (when the surcharge was reduced by Tennessee to zero with FERC approval).

As shown on Exhibit D-1, the expected refund obligation, including interest, from the refund received April 5, 2011, is \$139,275.70. The estimated interest on the refundable amount is calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12 months period, less 1/2 of 1 percent to cover the cost of refunding. Estimated interest, calculated pursuant to Commission direction, is estimated to be zero for the current 12-month refund period.

Since the amounts were charged to and allocated from LG&E's demand customers on a demand basis, the refunds must now also be credited on a demand basis. Therefore, the Refund Factor will be as follows:

Current Quarter Refund Factor:	
Effective August 1, 2011	0.043 cents/Ccf
1st Previous Quarter Refund Factor:	
Effective May 1, 2011	0.043 cents/Ccf
2nd Previous Quarter Refund Factor:	
Effective February 1, 2011	0.021 cents/Ccf
3rd Previous Quarter Refund Factor:	
Effective November 1, 2010	0.021 cents/Ccf
Total Refund Factor (RF)	0.128 cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY
Gas Supply Clause 2011-00XXXX
Calculation of Refund Factor

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Start Date	End Date	Case Number	Total Cash Refund Related to Demand	Plus Interest on Refundable Amount	Expected Refund Obligation Including Interest (4) + (5)	Expected Mcf Sales for the 12- month Period	Refund Factor per Mcf (\$/Mcf) (6) / (7)	Refund Factor per Ccf (cents/Ccf)
Nov-2010	Oct-2011	(Case No. 2010-00387)	\$ 66,652.38	\$ -	\$ 66,652.38	32,027,813	\$ 0.0021	0.021 ¢
Feb-2011	Jan-2012	(Case No. 2010-00525)	\$ 66,652.38	\$ -	\$ 66,652.38	32,129,284	\$ 0.0021	0.021 ¢
May-2011	Apr-2012	(Case No. 2011-00119)	\$ 139,275.70	\$ -	\$ 139,275.70	32,077,208	\$ 0.0043	0.043 ¢
Aug-2011	Jul-2012	(Case No. 2011-00xxx)	\$ 139,275.70	\$ -	\$ 139,275.70	32,062,600	\$ 0.0043	0.043 ¢

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2010-00xxx
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. In accordance with the Orders of the Commission in Case No. 2001-00017 dated October 26, 2001, and Case No. 2005-00031 dated May 27, 2005, LG&E is making this filing, the PBRRC established in Case No. 2008-00564, became applicable to gas service rendered on and after February 1, 2010 and will remain in effect until January 31, 2011, 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, 2011, and will remain in effect until January 31, 2012, is \$0.00414 and \$0.00176 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00414/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00176/Ccf</u>	<u>\$0.00176/Ccf</u>
Total PBRRC	\$0.00590/Ccf	\$0.00176/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 2011-00XXX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2011

	CSPBR Related to <u>Commodity</u>	CSPBR Related to <u>Demand</u>
Shareholder Portion of PBR	\$1,323,461	\$566,928
Expected Mcf Sales for the 12 month period beginning February 1, 2011	31,985,477	32,129,284
PBRRC factor per Mcf	\$0.0414	\$0.0176
PBRRC factor per Ccf	\$0.00414	\$0.00176

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2011-00XXX
Shareholder Portion of PBR Savings
PBR Year 13

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)	\$1,323,461	\$566,928	\$1,890,389

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
August 1, 2011 through October 31, 2011**

	RATE PER 100 CUBIC FEET				TOTAL
	BASIC SERVICE CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
RATE RGS - RESIDENTIAL					
BASIC SERVICE CHARGE	\$12.50				
ALL CCF		\$0.22396	\$0.56050	0.01887	\$0.80333
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$30.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.18722	\$0.56050	0.00096	\$0.74868
OVER 1000 CCF/MONTH		\$0.13722	\$0.56050	0.00096	\$0.69868
NOVEMBER THRU MARCH					
ALL CCF		\$0.18722	\$0.56050	0.00096	\$0.74868
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$170.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.18722	\$0.56050	0.00096	\$0.74868
OVER 1000 CCF/MONTH		\$0.13722	\$0.56050	0.00096	\$0.69868
NOVEMBER THRU MARCH					
ALL CCF		\$0.18722	\$0.56050	0.00096	\$0.74868
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$30.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.19022	\$0.56050	0.00000	\$0.75072
OVER 1000 CCF/MONTH		\$0.14022	\$0.56050	0.00000	\$0.70072
NOVEMBER THRU MARCH					
ALL CCF		\$0.19022	\$0.56050	0.00000	\$0.75072
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$170.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.19022	\$0.56050	0.00000	\$0.75072
OVER 1000 CCF/MONTH		\$0.14022	\$0.56050	0.00000	\$0.70072
NOVEMBER THRU MARCH					
ALL CCF		\$0.19022	\$0.56050	0.00000	\$0.75072
Rate AAGS	\$275.00	\$0.05252	\$0.56050	0.00096	\$0.61398
	BASIC SERVICE CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DEMAND CHARGE COMPONENT	TOTAL
RATE DGGS - COMMERCIAL & INDUSTRIAL (meter capacity < 5000 CF/HR)					
BASIC SERVICE CHARGE	\$30.00				
ALL CCF		\$0.02744	\$0.56050	\$ 1.01100	\$1.59894
RATE DGGS - COMMERCIAL & INDUSTRIAL (meter capacity >= 5000 CF/HR)					
BASIC SERVICE CHARGE	\$170.00				
ALL CCF		\$0.02744	\$0.56050	\$ 1.01100	\$1.59894

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
August 1, 2011 through October 31, 2011

	<u>RATE PER MCF</u>				
	<u>ADMIN. CHARGE (PER MONTH)</u>	<u>LG&E DIST CHARGE</u>	<u>PIPELINE SUPPLIER'S DEMAND COMPONENT</u>	<u>DSM COST RECOVERY COMPONENT</u>	<u>TOTAL</u>
RATE TS					
RATE CGS - COMMERCIAL	\$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.8722	\$0.8783	0.0960	\$2.8465
OVER 100 MCF/MONTH		\$1.3722	\$0.8783	0.0960	\$2.3465
NOVEMBER THRU MARCH					
ALL MCF		\$1.8722	\$0.8783	0.0960	\$2.8465
RATE IGS - INDUSTRIAL	\$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.9022	\$0.8783	0.0000	\$2.7805
OVER 100 MCF/MONTH		\$1.4022	\$0.8783	0.0000	\$2.2805
NOVEMBER THRU MARCH					
ALL MCF		\$1.9022	\$0.8783	0.0000	\$2.7805
Rate AAGS	\$153.00	\$0.5252	\$0.8783	0.0960	\$1.4995

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

August 1, 2011 through October 31, 2011

Transportation Service:

Monthly Transportation Administrative Charge	\$230.00
Distribution Charge / Mcf Delivered	\$0.4300

Ancillary Services:

Daily Demand Charge	\$0.1846
Daily Storage Charge	\$0.1833
Utilization Charge per Mcf for Daily Balancing	\$0.3679

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.
