



a PPL company

Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40601

March 31, 2016

Case No. 2016-00137

Re: *Louisville Gas and Electric Company -  
Gas Supply Clause Effective May 1, 2016*

Dear Executive Director:

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. 10 setting forth a Gas Supply Cost Component of 35.130 cents per 100 cubic feet applicable to all gas sold during the period of May 1, 2016 through July 31, 2016. 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 May 1, 2016 through July 31, 2016.

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 6 of 7 and 7 of 7.

This filing represents expected gas costs for the three-month period May 1, 2016 through July 31, 2016. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on February 1, 2016. These adjustment levels will remain in effect from May 1, 2016 through July 31, 2016.

RECEIVED

MAR 31 2016

PUBLIC SERVICE  
COMMISSION

Louisville Gas and  
Electric Company  
State Regulation and Rates  
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PO Box 32010  
Louisville, Kentucky 40232  
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Derek A. Rahn  
Manager Revenue  
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Executive Director  
Public Service Commission of Kentucky  
March 31, 2016

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,



Derek A. Rahn

Enclosures

# Louisville Gas and Electric Company

P.S.C. Gas No. 10, Fourth Revision of Original Sheet No. 85  
Canceling P.S.C. Gas No. 10, Third Revision Original Sheet No. 85

Adjustment Clause

GSC  
Gas Supply Clause

**APPLICABLE TO**  
All gas sold.

## GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost	\$0.30695	R
Gas Cost Actual Adjustment (GCAA)	(0.01607)	I
Gas Cost Balance Adjustment (GCBA)	0.05746	I

Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:

NONE

Performance-Based Rate Recovery Component (PBRRC)	<u>0.00296</u>	
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	\$0.35130	I

**Date of Issue:** March 31, 2016

**Date Effective:** May 1, 2016

**Issued By:** /s/ Robert M. Conroy, Vice President  
State Regulation and Rates  
Louisville, Kentucky

Issued by Authority of an Order of the  
Public Service Commission in Case No.  
\_\_\_\_\_ dated \_\_\_\_\_

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Supporting Calculations For The**

**Gas Supply Clause**

**2016-00xxx**

**For the Period**

**May 1, 2016 through July 31, 2016**

**LOUISVILLE GAS AND ELECTRIC COMPANY**

Derivation of Gas Supply Component Applicable to  
Service Rendered On and After May 1, 2016

2016-00xxx

Gas Supply Cost - See Exhibit A for Detail			
Line No.	Description	Unit	Amount
1	Total Expected Gas Supply Cost	\$	8,746,695
2	Total Expected Customer Deliveries: May 1, 2016 through July 31, 2016	Mcf	2,849,507
3	Gas Supply Cost Per Mcf	\$/Mcf	3.0695
4	Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	30.695

Gas Cost Actual Adjustment (GCAA) - See Exhibit B for Detail			
	Description	Unit	Amount
5	Current Quarter Actual Adjustment	Eff. May 1, 2016	2015-00329
		¢/Ccf	(0.218)
6	Previous Quarter Actual Adjustment	Eff. February 1, 2016	2015-00218
		¢/Ccf	(0.583)
7	2nd Previous Qrt. Actual Adjustment	Eff. November 1, 2015	2015-00105
		¢/Ccf	(0.226)
8	3rd Previous Qrt. Actual Adjustment	Eff. August 1, 2015	2014-00475
		¢/Ccf	(0.580)
9	Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(1.607)

Gas Cost Balance Adjustment (GCBA) - See Exhibit C for Detail			
	Description	Unit	Amount
10	Balance Adjustment Amount	\$	1,637,409
11	Total Expected Customer Deliveries: May 1, 2016 through July 31, 2016	Mcf	2,849,507
12	Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	0.5746
13	Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	5.746

Refund Factors (RF) - See Exhibit D for Detail			
	Description	Unit	Amount
14	Refund Factor Effective:		
15	Current Quarter Refund Factor	Eff. May 1, 2016	2015-00329
		¢/Ccf	0.000
16	1st Previous Quarter Refund Factor	Eff. February 1, 2016	2015-00218
		¢/Ccf	0.000
17	2nd Previous Quarter Refund Factor	Eff. November 1, 2015	2015-00105
		¢/Ccf	0.000
18	3rd Previous Quarter Refund Factor	Eff. August 1, 2015	2014-00475
		¢/Ccf	0.000
19	Total Refund Factors Per 100 Cubic Feet	¢/Ccf	0.000

Performance-Based Rate Recovery Component (PBRRC) - See Exhibit E for Detail			
	Description	Unit	Amount
20	Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.296
21	Total of PBRRC Factors Per 100 Cubic Feet	¢/Ccf	0.296

Gas Supply Cost Component (GSCC) Effective May 1, 2016			
	Description	Unit	Amount
22	Gas Supply Cost	¢/Ccf	30.695
23	Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(1.607)
24	Gas Cost Balance Adjustment (GCBA)	¢/Ccf	5.746
25	Refund Factors (RF)	¢/Ccf	0.000
26	Performance-Based Rate Recovery Component (PBRRC)	¢/Ccf	0.296
27	<b>Total Gas Supply Cost Component (GSCC)</b>	¢/Ccf	<b>35.130</b>

LOUISVILLE GAS AND ELECTRIC COMPANY  
Calculation of Gas Supply Costs  
For the Three-Month Period From May 1, 2016 thru July 31, 2016

Line No.	MMBtu	May-2016	Jun-2016	Jul-2016	Total
1	Expected Gas Supply Transported Under Texas' No-Notice Service (Forward Haul)	1,052,006	769,976	778,295	2,600,277
2	Expected Gas Supply Transported Under Texas' No-Notice Service (Back Haul)	0	0	0	0
3	Expected Gas Supply Transported Under Texas' Rate FT (Forward Haul)	24,800	300,000	310,000	634,800
4	Expected Gas Supply Transported Under Texas' Rate FT (Back Haul)	275,900	0	0	275,900
5	Expected Gas Supply Transported Under Texas' Rate FT (Back Haul)	0	363,000	1,568,600	1,931,600
6	Expected Gas Supply Transported Under Texas' Rate STF (Forward Haul)	12,400	540,000	558,000	1,110,400
7	Expected Gas Supply Transported Under Texas' Rate STF (Back Haul)	0	0	0	0
8	Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	524,200	600,000	620,000	1,744,200
9	Total MMBtu Purchased	1,889,306	2,572,976	3,834,895	8,297,177
10	Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	0
11	Less: Injections into Texas Gas' NNS Storage Service	648,700	297,700	143,700	1,090,100
12	Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rider TS-2)	1,240,606	2,275,276	3,691,195	7,207,077
<b>Mcf</b>					
13	Total Purchases in Mcf	1,843,225	2,510,220	3,741,361	
14	Plus: Withdrawals from Texas Gas' NNS Storage Service	0	0	0	
15	Less: Injections Texas Gas' NNS Storage Service	632,878	290,439	140,195	
16	Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rider TS-2)	1,210,347	2,219,781	3,601,166	
17	Plus: Customer Transportation Volumes under Rider TS-2	34,732	53,116	48,607	
18	Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 16 + Line 17)	1,245,079	2,272,897	3,649,773	
19	Less: Purchases for Depts. Other Than Gas Dept.	362	282	1,169	
20	Less: Purchases Injected into LG&E's Underground Storage	0	1,366,882	2,824,824	
21	Mcf Purchases Expensed during Month (Line 16 - Line 19 - Line 20)	1,209,985	852,617	775,173	2,837,775
22	LG&E's Storage Inventory - Beginning of Month	2,650,001	2,550,001	3,888,001	
23	Plus: Storage Injections into LG&E's Underground Storage (Line 20)	0	1,366,882	2,824,824	
24	LG&E's Storage Inventory - Including Injections	2,650,001	3,916,883	6,712,825	
25	Less: Storage Withdrawals from LG&E's Underground Storage	71,918	0	0	71,918
26	Less: Storage Losses	28,082	28,882	32,824	89,788
27	LG&E's Storage Inventory - End of Month	2,550,001	3,888,001	6,680,001	
28	Mcf of Gas Supply Expensed during Month (Line 21 + Line 25 + Line 26)	1,309,985	881,499	807,997	2,999,481
<b>Cost</b>					
29	Total Demand Cost - Including Transportation (Line 18 x Line 54)	\$1,035,283	\$1,889,914	\$3,034,786	
30	Less: Demand Cost Recovered thru Rate TS-2 (Line 17 x Line 54)	28,880	44,166	40,417	
31	Demand Cost - Net of Demand Costs Recovered thru LG&E Rider TS-2	\$1,006,403	\$1,845,748	\$2,994,369	
32	Commodity Costs - Gas Supply Under NNS (Forward Haul) (Line 1 x Line 55)	2,060,880	1,590,539	1,693,181	
33	Commodity Costs - Gas Supply Under NNS (Backward Haul) (Line 2 x Line 56)	0	0	0	
34	Commodity Costs - Gas Supply Under Rate FT (Forward Haul) (Line 3 x Line 57)	47,197	602,700	656,549	
35	Commodity Costs - Gas Supply Under Rate FT (Backward Haul) (Line 4 x Line 58)	520,816	0	0	
36	Commodity Costs - Gas Supply Under Rate FT (Backward Haul) (Line 5 x Line 59)	0	741,536	3,373,745	
37	Commodity Costs - Gas Supply Under Rate STF (Forward Haul) (Line 6 x Line 60)	23,980	1,101,492	1,198,975	
38	Commodity Costs - Gas Supply Under Rate STF (Backward Haul) (Line 7 x Line 61)	0	0	0	
39	Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 8 x Line 62)	990,423	1,197,060	1,304,356	
40	Total Purchased Gas Cost	\$4,649,699	\$7,079,075	\$11,221,175	\$22,949,949
41	Plus: Withdrawals from NNS Storage (Line 10 x Line 55)	0	0	0	0
42	Less: Purchases Injected into NNS Storage (Line 11 x Line 55)	1,270,803	614,959	312,619	2,198,381
43	Total Cost of Gas Delivered to LG&E	\$3,378,896	\$6,464,116	\$10,908,556	\$20,751,568
44	Less: Purchases for Depts. Other Than Gas Dept. (Line 19 x Line 63)	1,011	821	3,541	5,373
45	Less: Purchases Injected into LG&E's Storage (Line 20 x Line 63)	0	3,980,497	8,556,957	12,537,454
46	Pipeline Deliveries Expensed During Month	\$3,377,885	\$2,482,798	\$2,348,058	\$8,208,741
47	LG&E's Storage Inventory - Beginning of Month	\$9,038,888	\$8,697,798	\$12,584,810	
48	Plus: LG&E Storage Injections (Line 45 above)	0	3,980,497	8,556,957	
49	LG&E's Storage Inventory - Including Injections	\$9,038,888	\$12,678,295	\$21,141,767	
50	Less: LG&E Storage Withdrawals (Line 25 x Line 64)	245,305	0	0	\$245,305
51	Less: LG&E Storage Losses (Line 26 x Line 64)	95,785	93,485	103,379	292,649
52	LG&E's Storage Inventory - End of Month	\$8,697,798	\$12,584,810	\$21,038,388	
53	Gas Supply Expenses (Line 46 + Line 50 + Line 51)	\$3,718,975	\$2,576,283	\$2,451,437	\$8,746,695
<b>Unit Cost</b>					
54	12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.8315	\$0.8315	\$0.8315	
55	Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service (Forward Haul)	\$1.9590	\$2.0657	\$2.1755	
56	Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service (Back Haul)	\$1.9959	\$2.1026	\$2.2124	
57	Commodity Cost (per MMBtu) under Texas Gas's Rate FT (Forward Haul)	\$1.9031	\$2.0090	\$2.1179	
58	Commodity Cost (per MMBtu) under Texas Gas's Rate FT (Back Haul)	\$1.8877	\$1.9917	\$2.0987	
59	Commodity Cost (per MMBtu) under Texas Gas's Rate FT (Back Haul)	\$1.9379	\$2.0428	\$2.1508	
60	Commodity Cost (per MMBtu) under Texas Gas's Rate STF (Forward Haul)	\$1.9339	\$2.0398	\$2.1487	
61	Commodity Cost (per MMBtu) under Texas Gas's Rate STF (Back Haul)	\$1.9214	\$2.0254	\$2.1324	
62	Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$1.8894	\$1.9951	\$2.1038	
63	Average Cost of Deliveries (Line 43 / Line 16)	\$2.7917	\$2.9121	\$3.0292	
64	Average Cost of Inventory - Including Injections (Line 49 / Line 24)	\$3.4109	\$3.2368	\$3.1495	
<b>Gas Supply Cost</b>					
65	Total Expected Mcf Deliveries (Sales) to Customers May 1, 2016 through July 31, 2016				2,849,507 Mcf
66	Current Gas Supply Cost (Line 53 / Line 65)				\$3.0695 / Mcf

Annual Demand Costs

Line No.	Pipeline and Rate	Monthly Demand Charge	MMBtu	No. of Months	Annual Demand Costs
1	Texas Gas No-Notice Service (Rate NNS)	\$12.7104	119,913	12	\$18,289,706
2	Texas Gas Firm Transportation (Rate FT) 8-Year Contract	\$4.9067	5,000	12	294,402
3	Texas Gas Firm Transportation (Rate FT) 10-Year Contract	\$4.1720	55,000	12	2,753,520
4	Texas Gas Firm Transportation (Rate STF) 5-Year Contract	\$5.6641	9,000	12	611,723
5	Texas Gas Firm Transportation (Rate STF) One Month Contract	\$13.1830	2,508	12	396,756
6	Tenn. Gas Firm Transportation (Rate FT-A)	\$7.6240	20,000	12	1,829,760
7	<u>Long-Term Firm Contracts with Suppliers (Annualized)</u>				5,069,036
		<b>Total Annual Demand Costs</b>			<b>\$29,244,903</b>

Average Demand Cost per Mcf

8	Total Annual Demand Costs (Line 7)	\$29,244,903
9	Expected Annual Deliveries from Pipeline Transporters in Mcf (incl Rider TS-2)	35,170,486
10	<b>Average Demand Cost per Mcf (Line 8 / Line 9)</b>	<b>\$0.8315</b>

Pipeline Supplier's Demand Component Applicable to Billings  
Under LG&E's Gas Transportation Service/Standby - Rider TS-2

11	Average Demand Cost (Line 10)	\$0.8315
12	Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D-1)	0.0000
13	Performance Based Rate Recovery Demand Component (see Exhibit E-1)	0.0127
14	<b>PSDC Charge per Mcf</b>	<b>\$0.8442</b>

Daily Demand Charge Component of Utilization Charge  
For Daily Imbalance under Rate FT and Rider PS-FT

15	Total Annual Demand Costs (Line 7)	\$29,244,903
16	Design Day Requirements in Mcf (determined in last rate case)	478,956
17	<b>UCDI Charge (Line 15/Line 16/365 days)</b>	<b>\$0.1673</b>

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2016-00XXX

Gas Supply Cost Effective May 1, 2016

LG&E is served by Texas Gas Transmission, LLC (“TGT”) pursuant to the terms of the transportation agreements under Rate Schedules NNS-4, FT-4, and STF-4. LG&E is served by Tennessee Gas Pipeline Company, LLC (“TGPL”) pursuant to the terms of a transportation agreement under Rate Schedule FT-A-2. Both TGT and TGPL are subject to regulation by the Federal Energy Regulatory Commission (“FERC”).

**Texas Gas Transmission, LLC**

Rate Schedule NNS (No-Notice Service)

On June 24, 2015, TGT submitted tariff sheets to the FERC in Docket No. RP15-1077 to reflect the expiration via abandonment of the operating lease with Gulf South Pipeline Company which required the removal of references to the incremental recourse rate applicable to the Gulf South lease. The associated revised tariff sheets were dated to be effective April 1, 2015. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

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 May 1, 2016. The tariffed rates are as follows: (a) a daily demand charge of \$0.4190/MMBtu, and (b) a commodity charge of \$0.0628/MMBtu irrespective of the zone of receipt.

The rates applicable to all three contracts for service under Rate Schedule NNS are a monthly demand charge of \$12.7104/MMBtu and a volumetric throughput charge (“commodity charge”) of \$0.0628/MMBtu irrespective of the zone of receipt.

Rate Schedule FT (Firm Transportation: Annual: South-to-North)

On June 24, 2015, TGT submitted tariff sheets to the FERC in Docket No. RP15-1077 to reflect the expiration via abandonment of the operating lease with Gulf South Pipeline Company which required the removal of references to the incremental recourse rate applicable to the Gulf South lease. The associated revised tariff sheets were dated to be effective April 1, 2015. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 which will be applicable on and after May 1, 2016. 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, (b) a commodity charge applicable to transportation from Zone 1 to Zone 4 of \$0.0522/MMBtu, and (c) a commodity charge applicable to transportation from Zone 4 to Zone 4 of \$0.0374/MMBtu.



LG&E has negotiated rate agreements that result in a monthly demand charge of \$4.9067/MMBtu, an annual volumetric throughput charge (“commodity charge”) of \$0.0214/MMBtu applicable to transportation from Zone 1 to 4, and an annual volumetric throughput charge (“commodity charge”) of \$0.0037/MMBtu applicable to transportation from Zone 4 to 4. LG&E has terminated service under this contract effective November 1, 2016.

Rate Schedule FT (Firm Transportation: Annual: North-to-South)

Traditionally, LG&E has purchased gas in the Gulf production areas (both onshore and offshore, including Louisiana, Texas, and Arkansas) and used its interstate pipeline capacity to deliver that gas by forwardhaul to its gas distribution system in Kentucky. Due to the increasing availability of gas supplies outside of the traditional production areas, LG&E is now able to supplement this traditional forwardhaul transportation of natural gas purchased in the Gulf with gas purchased at the terminus of Texas Gas’s system at Lebanon, Ohio (which is north of LG&E’s system). Gas purchased at the terminus of Texas Gas’s system can be delivered to LG&E’s system by displacement using backhaul capabilities in LG&E’s existing interstate pipeline capacity. LG&E’s ability to supplement its traditional supplies delivered via forwardhaul transportation with these supplies delivered using backhaul transportation capabilities is reflected in this GSC filing.

In late December 2013, Texas Gas initiated an Open Season for firm pipeline capacity designed to provide its customers (such as LG&E) with firm access to gas supplies from the Marcellus and Utica Shale production areas. On January 16, 2014, Texas Gas released the results of its Open Season. LG&E was notified that it had been awarded 60,000 MMBtu/day as submitted by LG&E in its bid of December 20, 2013. The term of the capacity agreement runs from June 1, 2016, through October 31, 2026. The awards made in the Open Season by Texas Gas are subject to Texas Gas’s receipt of certain approvals by the regulatory bodies having jurisdiction, including FERC, and the timely construction of the required facilities. On August 28, 2015, FERC, in Docket No. CP14-553, issued a certificate of public convenience and necessity authorizing Texas Gas to construct and operate certain facilities required in order to accommodate customers who are seeking access to new supplies on the northern end of the Texas Gas system in order to serve new markets in the Midwest and South (the “Ohio-Louisiana Access Project”).

On June 24, 2015, TGT submitted tariff sheets to the FERC in Docket No. RP15-1077 to reflect the expiration via abandonment of the operating lease with Gulf South Pipeline Company which required the removal of references to the incremental recourse rate applicable to the Gulf South lease. The associated revised tariff sheets were dated to be effective April 1, 2015. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 which will be applicable on and after May 1, 2016. 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 \$0.1374/MMBtu, and (b) a commodity charge applicable to transportation from Zone 4 to Zone 4 of \$0.0374/MMBtu.

The rates applicable to service under this agreement result in a monthly demand charge of \$4.1720/MMBtu and a volumetric throughput charge (“commodity charge”) of \$0.0374/MMBtu applicable to transportation from Zone 4 to 4.

Rate Schedule STF (Short-Term Firm: Summer Season Contract: South-to-North)

On June 24, 2015, TGT submitted tariff sheets to the FERC in Docket No. RP15-1077 to reflect the expiration via abandonment of the operating lease with Gulf South Pipeline Company which required the removal of references to the incremental recourse rate applicable to the Gulf South lease. The associated revised tariff sheets were dated to be effective April 1, 2015. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

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 May 1, 2016. The tariffed rates are as follows: for the summer season, (a) a daily demand charge of \$0.1847/MMBtu, and (b) a commodity charge of \$0.0522 applicable to transportation from Zone 1 to 4; and (c) a commodity charge of \$0.0374 applicable to transportation from Zone 4 to 4.

LG&E has negotiated rate agreements that result in the following charges: a weighted-average monthly demand charge of \$5.6641/MMBtu; and for summer season deliveries up to 18,000 MMBtu/day a summer season commodity rate of \$0.0214/MMBtu applicable to transportation from Zone 1 to 4 and a summer season commodity rate of \$0.0037/MMBtu for transportation from Zone 4 to Zone 4. For summer season deliveries in excess of 18,000 MMBtu/day a summer season commodity rate of \$0.0522/MMBtu applicable to transportation from Zone 1 to Zone 4 and \$0.0374/MMBtu applicable to transportation from Zone 4 to 4. LG&E has terminated service under this contract effective November 1, 2016.

Rate Schedule STF (Short-Term Firm: December 2015 and January 2016 Only: South-to-North)

On June 24, 2015, TGT submitted tariff sheets to the FERC in Docket No. RP15-1077 to reflect the expiration via abandonment of the operating lease with Gulf South Pipeline Company which required the removal of references to the incremental recourse rate applicable to the Gulf South lease. The associated revised tariff sheets were dated to be effective April 1, 2015. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

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 May 1, 2016. The tariffed rates are as follows: for the winter season, (a) a daily demand charge of \$0.4252/MMBtu, and (b) a commodity charge of \$0.0522 applicable to transportation from Zone 1 to 4.

The composite rates under the one-month contract for service under Rate Schedule STF (as described above) are a weighted average monthly demand charge of \$13.1830/MMBtu; and a commodity charge of \$0.0522 applicable to transportation form Zone 1 to 4.

**Tennessee Gas Pipeline Company, LLC**

Firm Transportation Service (FT-A-2)

On September 15, 2015, TGPL submitted tariff sheets in Docket No. RP15-990 in compliance with the FERC's Order dated July 1, 2015, approving the Stipulation and Agreement dated May 15, 2015, and filed in that docket. TGPL's currently effective rates were set pursuant to a settlement that resolved its last NGA Section 4 rate case filing, which was approved by FERC on

December 5, 2011, in Docket No. RP11-1566. The settlement in RP11-1566 required TGPL to file a general rate case to be effective no later than November 1, 2015. TGPL held pre-filing settlement discussions with interested parties. After many months, the parties fully resolved their issues without litigation. The current settlement to be effective November 1, 2015, provides for a three (3) percent rate reduction from TGPL's currently effective rates. Subsequent rate reductions, and other provisions, were part of the 2015 Settlement in future years. On September 25, 2015, in Docket No. RP15-1293, TGPL established new surcharges effective November 1, 2015, to recover the costs associated with its "Pipeline Safety and Greenhouse Gas Cost Adjustment Mechanism," as provided for in its settlements approved by FERC in Docket Nos. RP11-1566 and RP15-990.

Attached hereto as Exhibit A-1 (a), Pages 5, and 6, are the tariff sheet for transportation service under Rate FT-A, which will be applicable on and after May 1, 2016. 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 \$15.5956/MMBtu, and (b) a commodity charge of \$0.0345/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge of \$7.6240/MMBtu and an annual volumetric throughput charge ("commodity charge") of \$0.0345/MMBtu for deliveries from Zone 0 to Zone 2.

### **Gas Supply Costs**

The New York Mercantile Exchange ("NYMEX") natural gas futures prices as of March 29, 2016, are \$1.981/MMBtu for May, \$2.097/MMBtu for June, and \$2.211/MMBtu for July. 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 69% higher compared to the same period one year ago;<sup>1</sup>
- Economic recovery could boost the demand for natural gas in the industrial sector;
- Fuel switching from coal to gas could boost natural gas prices by increasing demand;
- New domestic supplies from unconventional shale gas plays are impacting the marketplace;

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<sup>1</sup> The weekly gas storage survey issued by the Energy Information Administration ("EIA") for the week ending March 18, 2016, indicated that storage inventory levels were 69% higher than last year's levels. Storage inventories across the nation are 1,015 Bcf (2,493 Bcf – 1,478 Bcf), or 69%, higher this year than the same period one year ago. Last year at this time, 1,478 Bcf was held in storage, while this year 2,493 Bcf is held in storage. Storage inventories across the nation are 846 Bcf (2,493 Bcf – 1,647 Bcf), or 51% higher this year than the five-year average. On average for the last five years at this time, 1,647 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.

- New pipeline infrastructure is being developed to deliver natural gas supplies to the marketplace;
- Imports or exports of LNG could impact the supply and demand for natural gas;
- Gas-fired electric generation loads could boost weather-driven demand for natural gas; and
- Gas supply disruptions could boost prices.

During the three-month period under review, May 1, 2016, through July 31, 2016, LG&E estimates that its total purchases will be 7,207,077 MMBtu. LG&E expects that 1,510,177 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (2,600,277 MMBtu in pipeline forwardhaul deliveries minus 1,090,100 in storage injections); 634,800 MMBtu will be met from forwardhaul deliveries and 275,900 MMBtu from backhaul deliveries under TGT's pipeline service under Rate FT; 1,931,600 MMBtu will be met from backhaul deliveries under TGT's pipeline service under Rate FT; 1,110,400 MMBtu will be met from forwardhaul deliveries and 0 MMBtu backhaul from deliveries under TGT's pipeline service under Rate STF; 1,744,200 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the forwardhaul NNS service is expected to be \$1.8480 per MMBtu in May 2016, \$1.9520 per MMBtu in June 2016, and \$2.0590 per MMBtu in July 2016. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the backhaul NNS service is expected to be \$1.8840 per MMBtu in May 2016, \$1.9880 per MMBtu in June 2016, and \$2.0950 per MMBtu in July 2016. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the forwardhaul FT service is expected to be \$1.8480 per MMBtu in May 2016, \$1.9520 per MMBtu in June 2016, and \$2.0590 per MMBtu in July 2016. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the backhaul FT service is expected to be \$1.8840 per MMBtu in May 2016, \$1.9880 per MMBtu in June 2016, and \$2.0950 per MMBtu in July 2016. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the forwardhaul STF service is expected to be \$1.8480 per MMBtu in May 2016, \$1.9520 per MMBtu in June 2016, and \$2.0590 per MMBtu in July 2016. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the backhaul STF service is expected to be \$1.8840 per MMBtu in May 2016, \$1.9880 per MMBtu in June 2016, and \$2.0950 per MMBtu in July 2016. 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 \$1.8260 per MMBtu in May 2016, \$1.9300 per MMBtu in June 2016, and \$2.0370 per MMBtu in July 2016.

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 FORWARDHAUL 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>
May 2016	\$1.8480	2.54%	\$0.0628	\$1.9590
June 2016	\$1.9520	2.54%	\$0.0628	\$2.0657
July 2016	\$2.0590	2.54%	\$0.0628	\$2.1755

RATE NNS  
SYSTEM SUPPLY BACKHAUL 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>
May 2016	\$1.8840	2.54%	\$0.0628	\$1.9959
June 2016	\$1.9880	2.54%	\$0.0628	\$2.1026
July 2016	\$2.0950	2.54%	\$0.0628	\$2.2124

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

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2016	\$1.8480	1.79%	\$0.0214	\$1.9031
June 2016	\$1.9520	1.79%	\$0.0214	\$2.0090
July 2016	\$2.0590	1.79%	\$0.0214	\$2.1179

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

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 4 TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2016	\$1.8840	0.00%	\$0.0037	\$1.8877
June 2016	\$1.9880	0.00%	\$0.0037	\$1.9917
July 2016	\$2.0950	0.00%	\$0.0037	\$2.0987

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

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 4 TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2016	\$1.8840	0.87%	\$0.0374	\$1.9379
June 2016	\$1.9880	0.87%	\$0.0374	\$2.0428
July 2016	\$2.0950	0.87%	\$0.0374	\$2.1508

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

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE STF TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2016	\$1.8480	1.79%	\$0.0522	\$1.9339
June 2016	\$1.9520	1.79%	\$0.0522	\$2.0398
July 2016	\$2.0590	1.79%	\$0.0522	\$2.1487

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

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 4 TO 4)</u>	<u>RATE STF TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
May 2016	\$1.8840	0.00%	\$0.0374	\$1.9214
June 2016	\$1.9880	0.00%	\$0.0374	\$2.0254
July 2016	\$2.0950	0.00%	\$0.0374	\$2.1324

RATE FT-A-2  
SYSTEM SUPPLY FORWARDHAUL 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-2 TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Zone 0				
May 2016	\$1.8260	1.56%	\$0.0345	\$1.8894
June 2016	\$1.9300	1.56%	\$0.0345	\$1.9951
July 2016	\$2.0370	1.56%	\$0.0345	\$2.1038

The annual demand billings covering the 12 months from May 1, 2016 through April 30, 2017, for the firm contracts with natural gas suppliers are currently expected to be \$5,069,036.

**Rate FT and Rider PS-FT**

The demand-related supply costs applicable to the Utilization Charge for Daily Imbalances under Rate FT and Rider PS-FT applicable during the three-month period of May 1, 2016, through July 31, 2016, 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: April 1, 2015

Section 4.4  
Currently Effective Rates - NNS  
Version 6.0.0

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

	Base Tariff Rates
Zone SL	
Daily Demand	0.1800
Commodity	0.0253
Overrun	0.2053
Zone 1	
Daily Demand	0.2782
Commodity	0.0431
Overrun	0.3213
Zone 2	
Daily Demand	0.3088
Commodity	0.0460
Overrun	0.3548
Zone 3	
Daily Demand	0.3543
Commodity	0.0490
Overrun	0.4033
Zone 4	
Daily Demand	0.4190
Commodity	0.0614
Overrun	0.4804

The above rates shall be increased to include the ACA unit charge pursuant to Section 6.9[7] of the General Terms and Conditions.

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.



Texas Gas Transmission, LLC  
FERC NGA Gas Tariff  
Fourth Revised Volume No. 1  
Effective On: April 1, 2015

Section 4.1  
Currently Effective Rates - FT  
Version 7.0.0

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 forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

[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.

Texas Gas Transmission, LLC  
FERC NGA Gas Tariff  
Fourth Revised Volume No. 1  
Effective On: April 1, 2015

Section 4.1  
Currently Effective Rates - FT  
Version 7.0.0

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

	Base Tariff Rates
SL-SL	0.0104
SL-1	0.0355
SL-2	0.0399
SL-3	0.0445
SL-4	0.0528
1-1	0.0337
1-2	0.0385
1-3	0.0422
1-4	0.0508
2-2	0.0323
2-3	0.0360
2-4	0.0446
3-3	0.0312
3-4	0.0398
4-4	0.0360

The above rates shall be increased to include the ACA unit charge pursuant to Section 6.9[7] of the General Terms and Conditions.

Minimum Rates: Commodity minimum base rates are presented in Section 4.12.

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Texas Gas Transmission, LLC  
FERC NGA Gas Tariff  
Fourth Revised Volume No. 1  
Effective On: April 1, 2015

Section 4.2  
Currently Effective Rates - STF  
Version 5.0.0

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

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

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.

Tennessee Gas Pipeline Company, L.L.C.  
FERC NGA Gas Tariff  
Sixth Revised Volume No. 1

Ninth Revised Sheet No. 14  
Superseding  
Eighth 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	\$5.5411		\$11.5794	\$15.5758	\$15.8514	\$17.4175	\$18.4879	\$23.1959	
L		\$4.9193							
1	\$8.3417		\$7.9962	\$10.6413	\$15.0745	\$14.8460	\$16.7429	\$20.5878	
2	\$15.5759		\$10.5774	\$5.5014	\$5.1427	\$6.5803	\$9.0504	\$11.6830	
3	\$15.8514		\$8.3784	\$5.5458	\$4.0009	\$6.1457	\$11.1149	\$12.8437	
4	\$20.1259		\$18.5544	\$7.0708	\$10.7456	\$5.2598	\$5.6884	\$8.1265	
5	\$23.9973		\$16.8625	\$7.4172	\$8.9748	\$5.8432	\$5.4810	\$7.1353	
6	\$27.7603		\$19.3678	\$13.3296	\$14.6845	\$10.3726	\$5.4568	\$4.7237	

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$0.1822		\$0.3807	\$0.5121	\$0.5211	\$0.5726	\$0.6078	\$0.7626	
L		\$0.1617							
1	\$0.2742		\$0.2629	\$0.3499	\$0.4956	\$0.4881	\$0.5505	\$0.6769	
2	\$0.5121		\$0.3478	\$0.1809	\$0.1691	\$0.2163	\$0.2975	\$0.3841	
3	\$0.5211		\$0.2755	\$0.1823	\$0.1315	\$0.2021	\$0.3654	\$0.4223	
4	\$0.6617		\$0.6100	\$0.2325	\$0.3533	\$0.1729	\$0.1870	\$0.2672	
5	\$0.7890		\$0.5544	\$0.2439	\$0.2951	\$0.1921	\$0.1802	\$0.2346	
6	\$0.9127		\$0.6367	\$0.4382	\$0.4828	\$0.3410	\$0.1794	\$0.1553	

Maximum Reservation Rates 2/, 3/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$5.5609		\$11.5992	\$15.5956	\$15.8712	\$17.4373	\$18.5077	\$23.2157	
L		\$4.9391							
1	\$8.3615		\$8.0160	\$10.6611	\$15.0943	\$14.8658	\$16.7627	\$20.6076	
2	\$15.5957		\$10.5972	\$5.5212	\$5.1625	\$6.6001	\$9.0702	\$11.7028	
3	\$15.8712		\$8.3982	\$5.5656	\$4.0207	\$6.1655	\$11.1347	\$12.8635	
4	\$20.1457		\$18.5742	\$7.0906	\$10.7654	\$5.2796	\$5.7082	\$8.1463	
5	\$24.0171		\$16.8823	\$7.4370	\$8.9946	\$5.8630	\$5.5008	\$7.1551	
6	\$27.7801		\$19.3876	\$13.3494	\$14.7043	\$10.3924	\$5.4766	\$4.7435	

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions of \$0.0000.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0198.

Tennessee Gas Pipeline Company, L.L.C.  
 FERC NGA Gas Tariff  
 Sixth Revised Volume No. 1

Twelfth Revised Sheet No. 15  
 Superseding  
 Eleventh 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	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.2668	\$0.2546	\$0.3030
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.2269	\$0.2313	\$0.2641
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0734	\$0.1178	\$0.1305
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.0982	\$0.1358	\$0.1482
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0454	\$0.0642	\$0.1041
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0639	\$0.0633	\$0.0787
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.0984	\$0.0533	\$0.0324

Minimum  
 Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.0250	\$0.0284	\$0.0346
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.0210	\$0.0256	\$0.0300
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0056	\$0.0100	\$0.0143
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.0081	\$0.0118	\$0.0163
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0028	\$0.0046	\$0.0092
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0046	\$0.0046	\$0.0066
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.0086	\$0.0041	\$0.0020

Maximum  
 Commodity Rates 1/, 2/, 3/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0039		\$0.0122	\$0.0184	\$0.0226	\$0.2675	\$0.2553	\$0.3037
L		\$0.0019						
1	\$0.0049		\$0.0088	\$0.0154	\$0.0186	\$0.2276	\$0.2320	\$0.2648
2	\$0.0174		\$0.0094	\$0.0019	\$0.0035	\$0.0741	\$0.1185	\$0.1312
3	\$0.0214		\$0.0176	\$0.0033	\$0.0009	\$0.0989	\$0.1365	\$0.1489
4	\$0.0257		\$0.0212	\$0.0094	\$0.0112	\$0.0461	\$0.0649	\$0.1048
5	\$0.0291		\$0.0263	\$0.0107	\$0.0125	\$0.0646	\$0.0640	\$0.0794
6	\$0.0353		\$0.0307	\$0.0150	\$0.0170	\$0.0991	\$0.0540	\$0.0331

Notes:

- 1/ Rates stated above exclude the ACA Surcharge as revised annually and posted on the FERC website at <http://www.ferc.gov> on the Annual Charges page of the Natural Gas section. The ACA Surcharge is incorporated by reference into Transporter's Tariff and shall apply to all transportation under this Rate Schedule as provided in Article XXIV of the General Terms and Conditions.
- 2/ The applicable F&LR's and EPCR's, determined pursuant to Article XXXVII of the General Terms and Conditions, are listed on Sheet No. 32.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0007.

Texas Gas Transmission, LLC  
FERC NGA Gas Tariff  
Fourth Revised Volume No. 1  
Effective On: November 1, 2015

Section 4.18.1  
Currently Effective Rates - Fuel Retention - General  
Version 7.0.0

Schedule of Currently Effective Fuel Retention Percentages  
Pursuant to Section 6.9 of the General Terms and Conditions

NNS/NNL/SGT/SGL/SNS/WNS Rate Schedules

<u>Delivery Fuel Zone</u>	<u>EFRP [1]</u>
South	2.25%
Middle	2.30%
North	2.54%

FT/STF/IT Rate Schedules

<u>Rec/Del Fuel Zone</u>	<u>EFRP</u>
South/South	0.89%
South/Middle	1.05%
South/North	1.79%
Middle/South	0.89%
Middle/Middle	0.23%
Middle/North	1.22%
North/South	0.89%
North/Middle	0.23%
North/North	0.87%

FSS/FSS-M/ISS/ISS-M Rate Schedules

<u>Injection / Withdrawal</u>
1.63%

Swing Allocation Hybrid Rate  
NNS/NNL/SGT/SGL/SNS/WNS

<u>Delivery Fuel Zone</u>	<u>EFRP</u>
South	1.36%
Middle	1.38%
North	0.86%

[1] Effective Fuel Retention Percentage Schedule of Currently Effective Fuel Retention Percentages Pursuant to Section 6.9 of the General Terms and Conditions

Tennessee Gas Pipeline Company, L.L.C.  
FERC NGA Gas Tariff  
Sixth Revised Volume No. 1

Eleventh Revised Sheet No. 32  
Superseding  
Tenth Revised Sheet No. 32

FUEL AND EPCR

F&LR 1/, 2/, 3/, 4/ -----	RECEIPT ZONE	DELIVERY ZONE							
		0	L	1	2	3	4	5	6
	0	0.35%		1.05%	1.56%	1.91%	2.28%	2.57%	3.05%
	L		0.18%						
	1	0.44%		0.77%	1.32%	1.58%	1.93%	2.34%	2.66%
	2	1.56%		0.82%	0.18%	0.32%	0.58%	0.97%	1.30%
	3	1.91%		1.58%	0.32%	0.10%	0.80%	1.14%	1.50%
	4	2.28%		1.80%	0.81%	0.97%	0.33%	0.50%	0.85%
	5	2.64%		2.39%	0.97%	1.15%	0.49%	0.49%	0.62%
	6	3.14%		2.66%	1.31%	1.50%	0.80%	0.39%	0.21%

EPCR 3/, 4/ -----	RECEIPT ZONE	DELIVERY ZONE							
		0	L	1	2	3	4	5	6
	0	\$0.0025		\$0.0095	\$0.0147	\$0.0183	\$0.0221	\$0.0251	\$0.0301
	L		\$0.0008						
	1	\$0.0033		\$0.0067	\$0.0122	\$0.0149	\$0.0185	\$0.0227	\$0.0260
	2	\$0.0147		\$0.0072	\$0.0008	\$0.0022	\$0.0048	\$0.0087	\$0.0120
	3	\$0.0183		\$0.0149	\$0.0022	\$0.0000	\$0.0070	\$0.0104	\$0.0138
	4	\$0.0221		\$0.0171	\$0.0071	\$0.0086	\$0.0023	\$0.0040	\$0.0075
	5	\$0.0251		\$0.0227	\$0.0087	\$0.0104	\$0.0039	\$0.0039	\$0.0052
	6	\$0.0301		\$0.0260	\$0.0120	\$0.0138	\$0.0070	\$0.0029	\$0.0011

- 1/ Included in the above F&LR is the Losses component of the F&LR equal to 0.05%.
- 2/ For service that is rendered entirely by displacement and for gas scheduled and allocated for receipt at the Dracut, Massachusetts receipt point, Shipper shall render only the quantity of gas associated with Losses of 0.05%.
- 3/ The F&LR's and EPCR's listed above are applicable to FT-A, FT-BH, FT-G, FT-GS, and IT.
- 4/ The F&LR's and EPCR's determined pursuant to Article XXXVII of the General Terms and Conditions.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2016-00XXX****Calculation of Gas Cost Actual Adjustment (GCAA)**

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of over-recovery from Case Number 2015-00329 during the three-month period of November 1, 2015 through January 31, 2016 was \$715,209. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a refund of 0.218¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after May 1, 2016, and continue for 12 months. Also enclosed, on pages 6 and 7 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from November 2015 through January 2016. [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.]

In this filing, LG&E will be eliminating the GCAA from Case Number 2014-00348 which, with service rendered through April 30, 2016, will have been in effect for twelve months. Any over- or under-recovery of the amount originally established 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 August 1, 2016.

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

Current Quarter Actual Adjustment:	
Effective May 1, 2016 from 2015-00329	(0.218) cents/Ccf
Previous Quarter Actual Adjustment:	
Effective February 1, 2016 from 2015-00218	(0.583) cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective November 1, 2015 from 2015-00105	(0.226) cents/Ccf
3rd Previous Quarter Actual Adjustment:	
Effective August 1, 2015 from 2014-00475	(0.580) cents/Ccf
<b>Total Gas Cost Actual Adjustment (GCAA)</b>	<b>(1.607) 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  
 For Service Rendered On and After May 1, 2016

Line No.	Recovery Period	Case Number	Total Dollars of Gas Cost Recovered <sup>1</sup>	Gas Supply Cost Per Books <sup>2</sup>	(Over)/Under Recovery
(1)	(2)	(3)	(4)	(5)	(6)=(5)-(4)
1	Nov-2015	2015-00329	\$3,114,201	\$8,632,295	\$5,518,094
2	Dec-2015	2015-00329	\$13,063,534	\$13,796,460	\$732,926
3	Jan-2016	2015-00329	\$19,614,029	\$23,921,360	\$4,307,331
4	Feb-2016	(Note 3)	\$11,273,559	\$0	(\$11,273,559)
5			\$47,065,324	\$46,350,115	(\$715,209)
6		(Over)/Under Recovery	(\$715,209)		
7		Expected Mcf Sales for			
8		12-Month Period from Date Implemented	32,882,642		
9		GCAA Factor per Mcf	(\$0.0218)		
10		GCAA Factor per Ccf	(\$0.00218)		
11		GCAA Factor Cents per Ccf	(0.218)		

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

<sup>2</sup> See Page 5 of this Exhibit.

<sup>3</sup> Current sales included in meter readings for prior month.

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
Calculation of Gas Costs Recovered  
Under Company's Gas Supply Clause  
For Service Rendered On and After May 1, 2016

Line No.	Recovery Period	Comments	Case No.	Total Mcf Sales for Month	Mcf Sales Applicable to GCAA Period	Gas Supply Cost per Mcf	AAGS Interruption Penalty	Dollars Recovered Under GSC
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)=[(6)x(7)]+(8)
1	Nov-2015	Prorated	2015-00329	1,706,623.8 <sup>1</sup>	795,472.3 <sup>2</sup>	\$3.8232	\$0	\$3,041,250
2	Dec-2015		2015-00329	3,396,567.1	3,396,567.1	\$3.8232	\$0	\$12,985,755
3	Jan-2016		2015-00329	5,101,870.0	5,101,870.0	\$3.8232	\$0	\$19,505,469
4	Feb-2016	Prorated	2015-00329	5,755,793.8 <sup>1</sup>	2,948,636.3 <sup>2</sup>	\$3.8232		\$11,273,226
5					12,242,545.7		\$0	\$46,805,700

	\$ Recovered Under Rider TS-2 <sup>3</sup>	\$ Recovered Under Rate FT <sup>4</sup>	\$ from OSS	Total \$ Recovered (13)=(9)+(10) +(11)+(12)
	(10)	(11)	(12)	
6	\$31,542	\$41,409	\$0	\$3,114,201
7	\$24,483	\$53,296	\$0	\$13,063,534
8	\$16,245	\$92,315	\$0	\$19,614,029
9		\$333 <sup>5</sup>		\$11,273,559
10	\$72,271	\$187,353	\$0	\$47,065,324

<sup>1</sup> For information purposes only, volumes will be prorated.

<sup>2</sup> Portion of month billed at rate effective this quarter.

<sup>3</sup> See Page 3 of this Exhibit.

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

<sup>5</sup> Correction for April 2015 FT customers as described on Exhibit B-1, page 4 of 7.

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
 Summary of Gas Costs Recovered  
 Under Provisions of Rider TS-2  
 For Service Rendered On and After May 1, 2016

Line No.	Recovery Period	Case Number	Mcf Transported Under Rider TS-2	PSDC Per Mcf	PSDC Revenue Collected from TS-2 Customers	Rider TS-2 Gas True-Up Charge Revenue	MMBtu Adjust. (Mcf)	MMBtu Adjust. (\$)	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	AAGS TS-2 Interruption Penalty	Action Alert \$	Monthly \$'s Recovered Under Rider TS-2 (13)=(5)+(6)+(8) +(10)+(11)+(12)
	(1)	(2)	(3)	(4)	(5)=(3)x(4)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
1	Nov-2015	2015-00329	59,109.5	\$0.8033	\$47,483	(\$18,538)	369.0	\$725	779.4	\$1,872	\$0	\$0	\$31,542
2	Dec-2015	2015-00329	51,325.4	\$0.8033	\$41,230	(\$16,746)	0.0	\$0	0.0	\$0	\$0	\$0	\$24,483
3	Jan-2016	2015-00329	38,913.6	\$0.8033	\$31,259	(\$15,014)	0.0	\$0	0.0	\$0	\$0	\$0	\$16,245
4	Total Amount to Transfer to Exhibit B-1, Page 2												\$72,271

Note: Should a Customer served under Rider TS-2 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 Rider TS-2, 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.

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
 Summary of Gas Costs Recovered  
 Under Provisions of Rate FT  
 For Service Rendered On and After May 1, 2016

Line No.	Recovery Period (1)	Case Number (2)	UCDI Demand Chrg / Mcf (3)	Cash-Out Sales (Mcf) (4)	Cash-Out Sales (\$) (5)	MMBTU Adjust. (Mcf) (6)	MMBTU Adjust. (\$) (7)	UCDI Mcf (8)	UCDI \$ [(3)x(8)] (9)	OFO \$ (10)	Rate FT Gas True-Up Charge Revenue (11)	Monthly \$'s Recovered [(5)+(7)+(9)+(10)+(11)] (12)
1	Nov-2015	2015-00329	\$0.1620	5,930.8	\$13,927	4,620.0	\$9,260	134,598.9	\$21,805	\$0	(\$3,582)	\$41,409
2	Dec-2015	2015-00329	\$0.1620	11,265.6	\$30,137	-	\$0	148,500.3	\$24,057	\$0	(\$898)	\$53,296
3	Jan-2016	2015-00329	\$0.1620	6,300.8	\$16,822	-	\$0	261,369.5	\$42,342	\$34,843	(\$1,692)	\$92,315
4	Correction -Apr 2015	2014-00475	\$0.1577	145.7	\$310	-	\$0	145.7	\$23	\$0	\$0	\$333
5	Total Amount to Transfer to Exhibit B-1, Page 2											\$187,353

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: The Company discovered corrections needed for two FT customers in the April 2015 actuals. The net effect is provided on Line 4 above.



LOUISVILLE GAS AND ELECTRIC COMPANY  
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER  
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2015 THROUGH JANUARY 2016

DELIVERED BY TEXAS GAS TRANSMISSION, LLC

COMMODITY AND VOLUMETRIC CHARGES:	NOVEMBER 2015			DECEMBER 2015			JANUARY 2016		
	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
NATURAL GAS SUPPLIERS:									
1. A	141,884	140,479	\$304,426.64	102,708	101,691	\$175,675.00	432,960	428,674	\$959,141.55
2. B	675,000	668,317	\$1,346,523.75	100,000	99,010	\$217,899.00	100,000	99,010	\$236,974.08
3. C	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
4. D	614,040	607,960	\$1,219,060.00	634,508	628,226	\$1,376,865.00	634,508	628,226	\$1,500,555.00
5. E	450,000	445,545	\$900,385.20	0	0	\$0.00	425,000	420,792	\$1,003,984.64
6. F	0	0	\$0.00	0	0	\$0.00	185,000	183,168	\$407,782.94
7. G	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
8. H	0	0	\$0.00	0	0	(\$10.00)	0	0	\$0.00
9. I	10,000	9,901	\$18,800.00	0	0	\$0.00	0	0	\$0.00
10. J	73,095	72,371	\$162,000.00	0	0	\$0.00	0	0	\$0.00
	<u>1,964,019</u>	<u>1,944,573</u>	<u>\$3,951,195.59</u>	<u>837,216</u>	<u>828,927</u>	<u>\$1,770,429.00</u>	<u>1,777,468</u>	<u>1,759,870</u>	<u>\$4,108,438.21</u>
NO-NOTICE SERVICE ("NNS") STORAGE:									
1. WITHDRAWALS	466,700	462,079	\$941,707.26	740,767	733,433	\$1,584,648.77	787,403	779,607	\$1,840,082.07
2. INJECTIONS	(183,358)	(181,543)	(\$369,979.77)	(11,950)	(11,832)	(\$25,563.44)	(26,336)	(26,075)	(\$61,544.60)
3. ADJUSTMENTS	(386)	(333)	(\$940.52)	128	1,397	\$258.28	548	4,163	\$1,172.28
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	(\$333.54)	0	0	\$0.00	0	0	\$0.00
NET NNS STORAGE	<u>282,956</u>	<u>280,203</u>	<u>\$570,453.43</u>	<u>728,945</u>	<u>722,998</u>	<u>\$1,559,343.61</u>	<u>761,615</u>	<u>757,695</u>	<u>\$1,779,709.75</u>
NATURAL GAS TRANSPORTERS:									
1. TEXAS GAS TRANSMISSION, LLC			\$128,529.86			\$94,457.81			\$143,043.52
2. ADJUSTMENTS	0	(8,210)	(\$24.26)	0	8,699	\$7.81	0	4,236	\$34.41
3. ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	(\$24,369.77)
TOTAL	<u>2,246,975</u>	<u>2,216,566</u>	<u>\$128,505.58</u>	<u>1,566,161</u>	<u>1,560,624</u>	<u>\$94,465.62</u>	<u>2,539,083</u>	<u>2,521,801</u>	<u>\$118,708.16</u>
TOTAL COMMODITY AND VOLUMETRIC CHARGES			<u>\$4,650,154.60</u>			<u>\$3,424,238.23</u>			<u>\$6,006,856.12</u>
DEMAND AND FIXED CHARGES:									
1. TEXAS GAS TRANSMISSION, LLC			\$2,385,693.00			\$2,466,534.22			\$2,860,652.10
2. ADJUSTMENTS			\$0.00			\$0.00			\$0.00
3. SUPPLY RESERVATION CHARGES			\$273,753.50			\$631,864.70			\$633,302.87
4. ADJUSTMENTS			\$0.00			\$0.00			\$0.00
5. CAPACITY RELEASE CREDITS			\$0.00			\$0.00			\$0.00
6. ADJUSTMENTS			\$0.00			\$0.00			\$0.00
TOTAL DEMAND AND FIXED CHARGES			<u>\$2,659,446.50</u>			<u>\$3,098,398.92</u>			<u>\$3,493,954.97</u>
TOTAL PURCHASED GAS COSTS -- TEXAS GAS TRANSMISSION, LLC			<u>\$7,309,601.10</u>			<u>\$6,522,637.15</u>			<u>\$9,500,811.09</u>

LOUISVILLE GAS AND ELECTRIC COMPANY  
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER  
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2015 THROUGH JANUARY 2016

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY, LLC			NOVEMBER 2015			DECEMBER 2015			JANUARY 2016		
			NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
COMMODITY AND VOLUMETRIC CHARGES:											
NATURAL GAS SUPPLIERS:											
1.	K	600,000	560,748	\$1,181,227.20	80,000	74,766	\$172,110.08	399,659	373,513	\$932,820.20	
2.	L	0	0	\$0.00	0	0	\$0.00	410,000	383,178	\$871,000.00	
3.	M	0	0	\$0.00	226,642	211,815	\$411,350.00	216,788	202,606	\$462,200.00	
		<u>600,000</u>	<u>560,748</u>	<u>\$1,181,227.20</u>	<u>306,642</u>	<u>286,581</u>	<u>\$583,460.08</u>	<u>1,026,447</u>	<u>959,297</u>	<u>\$2,266,020.20</u>	
NATURAL GAS TRANSPORTERS:											
1.	TENNESSEE GAS PIPELINE COMPANY, LLC			\$11,460.00			\$5,856.86			\$11,774.14	
2.	TENNESSEE GAS PIPELINE COMPANY, LLC			\$17,520.00			\$8,953.95			\$18,000.25	
3.	TENNESSEE GAS PIPELINE COMPANY, LLC			\$420.00			\$214.65			\$431.51	
4.	ADJUSTMENTS	(2,110)	1,020	(\$1,117.77)	(68)	(3,487)	(\$3,454.79)	(237)	(2,372)	(\$84.89)	
5.	ADJUSTMENTS	0	0	(\$3,939.45)	0	0	\$0.01	0	0	\$0.00	
6.	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00	
	TOTAL	<u>597,890</u>	<u>561,768</u>	<u>\$24,342.78</u>	<u>306,574</u>	<u>283,094</u>	<u>\$11,570.68</u>	<u>1,026,210</u>	<u>956,925</u>	<u>\$30,121.01</u>	
TOTAL COMMODITY AND VOLUMETRIC CHARGES				\$1,205,569.98				\$595,030.76	\$2,296,141.21		
DEMAND AND FIXED CHARGES:											
1.	TENNESSEE GAS PIPELINE COMPANY, LLC			\$152,480.00			\$152,480.00			\$152,480.00	
2.	ADJUSTMENTS			\$0.00			\$0.00			\$0.00	
3.	SUPPLY RESERVATION CHARGES			\$130,909.20			\$156,804.56			\$157,748.41	
4.	ADJUSTMENTS			\$0.00			\$0.00			\$0.00	
5.	CAPACITY RELEASE CREDITS			\$0.00			\$0.00			\$0.00	
6.	ADJUSTMENTS			\$0.00			\$0.00			\$0.00	
TOTAL DEMAND AND FIXED CHARGES				\$283,389.20				\$309,284.56	\$310,228.41		
TOTAL PURCHASED GAS COSTS -- TENNESSEE GAS PIPELINE COMPANY, LLC				<u>\$1,488,959.18</u>				<u>\$904,315.32</u>	<u>\$2,606,369.62</u>		
OTHER PURCHASES											
1.	CASH-OUT OF CUSTOMER OVER-DELIVERIES		37,605	\$72,295.74		40,133	\$71,628.05		77,957	\$173,840.42	
	TOTAL		<u>37,605</u>	<u>\$72,295.74</u>		<u>40,133</u>	<u>\$71,628.05</u>		<u>77,957</u>	<u>\$173,840.42</u>	
TOTAL PURCHASED GAS COSTS -- ALL PIPELINES		<u>2,844,865</u>	<u>2,815,939</u>	<u>\$8,670,856.02</u>	<u>1,872,735</u>	<u>1,883,851</u>	<u>\$7,498,580.52</u>	<u>3,565,293</u>	<u>3,556,683</u>	<u>\$12,281,021.13</u>	

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Gas Supply Clause: 2016-00XXX**

**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 collected under the Gas Cost Balance Adjustment (GCBA) during the period of May 1, 2016 through July 31, 2016, set forth on Page 1 of Exhibit C-1, is \$1,637,409. The GCBA factor required to collect this under-recovery is a charge of 5.746¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after May 1, 2016 and continue for three months.

In this filing, LG&E will be eliminating the GCBA from Case 2015-00429, which, with service rendered through April 30, 2016, 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 August 1, 2016.



**LOUISVILLE GAS AND ELECTRIC COMPANY**  
Calculation of Quarterly Gas Cost Balance Adjustment  
For Service Rendered On and After May 1, 2016

Line No.	Factor	Remaining Balance
1	Remaining (Over)/Under Recovery From GCAA <sup>1</sup>	\$1,905,591
2	Remaining (Over)/Under Recovery From GCBA <sup>2</sup>	(\$268,182)
3	Remaining (Under)/Over Refund From RA <sup>3</sup>	\$0
4	Remaining (Over)/Under Recovery From PBRRC <sup>4</sup>	\$0
5	Total Remaining (Over)/Under Recovery	<u>\$1,637,409</u>
6	Expected Mcf Sales for 3 Month Period <sup>5</sup>	2,849,507
7	GCBA Factor Per Mcf	\$0.5746
8	GCBA Factor Per Ccf	\$0.05746

<sup>1</sup> See Exhibit C-1, page 2.

<sup>2</sup> See Exhibit C-1, page 3.

<sup>3</sup> See Exhibit D-1, page 2. LG&E is not receiving any pipeline refunds at this time.

<sup>4</sup> See Exhibit E-1, page 2. Only done for August filing.

<sup>5</sup> See Exhibit A, page 1.

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**Calculation of Revenue Collected or Refunded Under GCAA Factor**  
**For Service Rendered On and After May 1, 2016**

From Case No. 2014-00217

Line No.	Recovery Period	Comments	Sales Applicable		GCAA/Mcf Factor	Recovery/(Refund) per Month	Balance Remaining	
			Total Mcf Sales for Month	to GCAA Recovery				
	(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)	(7)=(Bal)-(6)	
1						Beginning Balance	(\$5,050,498)	
2	Feb-15	Prorated	6,355,917.5	3,215,354.9	(\$0.2297)	(\$738,567)	(\$4,311,931)	
3	Mar-15		6,227,552.2	6,227,552.2	(\$0.2297)	(\$1,430,469)	(\$2,881,462)	
4	Apr-15		2,395,537.1	2,395,537.1	(\$0.2297)	(\$550,255)	(\$2,331,207)	
5	May-15		1,228,564.9	1,228,564.9	(\$0.2297)	(\$282,201)	(\$2,049,006)	
6	Jun-15		874,302.5	874,302.5	(\$0.2297)	(\$200,827)	(\$1,848,179)	
7	Jul-15		712,691.3	712,691.3	(\$0.2297)	(\$163,705)	(\$1,684,474)	
8	Aug-15		755,644.0	755,644.0	(\$0.2297)	(\$173,571)	(\$1,510,903)	
9	Sep-15		780,404.8	780,404.8	(\$0.2297)	(\$179,259)	(\$1,331,644)	
10	Oct-15		939,620.8	939,620.8	(\$0.2297)	(\$215,831)	(\$1,115,813)	
11	Nov-15		1,706,623.8	1,706,623.8	(\$0.2297)	(\$392,011)	(\$723,802)	
12	Dec-15		3,396,567.1	3,396,567.1	(\$0.2297)	(\$780,191)	\$56,389	
13	Jan-16		5,101,870.0	5,101,870.0	(\$0.2297)	(\$1,171,900)	\$1,228,289	
14	Feb-16	Prorated	5,755,793.8	2,948,636.3	(\$0.2297)	(\$677,302)	\$1,905,591	
15			Total Amount Recovered/(Refunded) During Period				(\$6,956,089)	
16			Remaining Balance to Transfer to Exhibit C-1, Page 1 of 3				\$1,905,591	

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
Revenue Collected Under the GCBA Factor  
For Service Rendered On and After May 1, 2016

Case No. 2015-00329

Line No.	Recovery Period	Comments	Total Mcf Sales for Month	Sales Applicable to GCBA	GCBA/Mcf Factor	Recovery/(Refund) per Month	Balance Remaining
	(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)	(7)=(Bal)-(6)
1						Beginning Balance	(\$1,422,654)
2	Nov-2015	Prorated	1,706,623.8	795,472.3	(\$0.0943)	(\$75,013)	(\$1,347,641)
3	Dec-2015		3,396,567.1	3,396,567.1	(\$0.0943)	(\$320,296)	(\$1,027,345)
4	Jan-2016		5,101,870.0	5,101,870.0	(\$0.0943)	(\$481,106)	(\$546,239)
5	Feb-2016	Prorated	5,755,793.8	2,948,636.3	(\$0.0943)	(\$278,056)	(\$268,182)
6			Total Amount Recovered/(Refunded) During Period			(\$1,154,472)	
7			Remaining Balance to Transfer to Exhibit C-1, Page 1 of 3			(\$268,182)	

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**Gas Supply Clause: 2016-00XXX**

The Company has received no refunds this quarter and has completed refunding all previous obligations.

Therefore, the Refund Factor will be as follows:

None

**LOUISVILLE GAS AND ELECTRIC****Gas Supply Clause: 2016-00XXX****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 Order of the Commission in Case No. 2009-00550, LG&E is making this filing. Therefore, as shown in the following table, the PBRRC amount which became effective with gas service rendered on and after February 1, 2016, and will remain in effect until January 31, 2017, is \$0.00296 and \$0.00127 per 100 cubic feet for sales and Rider TS-2 volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00169/Ccf	\$0.00000/Ccf
Demand-Related Portion	\$0.00127/Ccf	\$0.00127/Ccf
Total PBRRC	\$0.00296/Ccf	\$0.00127/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 Rider TS-2 receive only the demand-related portion of the PBRRC.

**LOUISVILLE GAS AND ELECTRIC****Gas Supply Clause: 2016-00XXX  
Gas Cost True-Up Charge Applicable to Customers Served  
Under Rate FT and Rider TS-2**

The purpose of the Gas Cost True-Up is to collect or refund any under- or over-collected gas costs incurred by transportation customers in previous quarters. Pursuant to the Order dated December 20, 2012, in Case No. 2012-00222, the charge (or credit) applies only to those transportation customers that were previously Louisville Gas and Electric Company sales customers. These under- or over-collected amounts (in the form of the GCAA, GCBA, and PBRRC) that transferring customers would have paid as sales customers will be applied for eighteen months. Therefore, as shown in the following table, the charge (or credit) which will be effective for any customers transferring from an LG&E sales rate to one of its transportation rates effective November 1, 2014 and November 1, 2015 is respectively:

<u>With Service Elected Effective</u>	<u>Applicable Components of GCAA</u>	<u>Applicable Components of GCBA</u>	<u>Applicable Components of PBRRC</u>	<u>Total</u>
November 1, 2014	\$0.00/Mcf	\$0.00/Mcf	\$0.00/Mcf	\$0.00/Mcf
November 1, 2015	\$(0.1389)/Mcf	\$0.5746/Mcf	\$0.0296/Mcf	\$0.4653/Mcf

**LOUISVILLE GAS AND ELECTRIC COMPANY**

Gas Supply Clause 2016-00xxx  
 Gas Cost True-Up Charge Applicable to Customers  
 Served Under Rate FT and Rider TS-2  
 For Service Rendered On and After May 1, 2016

Line No.	With Service Elected Effective (1)	Applicable Components of GCAA/Mcf (2)	Applicable Components of GCBA/Mcf (3)	Applicable Components of PBRRC/Mcf (4)	Total/Mcf (5)=(2)+(3)+(4)
1	November 1, 2014	\$0.0000	\$0.0000	\$0.0000	\$0.0000
2	November 1, 2015	(\$0.1389)	\$0.5746	\$0.0296	\$0.4653

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**GAS SERVICE RATES EFFECTIVE WITH SERVICE  
RENDERED FROM  
May 1, 2016 through July 31, 2016**

	RATE PER 100 CUBIC FEET					TOTAL
	BASIC SERVICE CHARGE (PER MONTH)	GAS LINE TRACKER CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
<hr/>						
RATE RGS - RESIDENTIAL						
BASIC SERVICE CHARGE	\$13.50	\$4.85				
ALL CCF			\$0.28693	\$0.35130	\$0.00907	\$0.64730
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)						
BASIC SERVICE CHARGE	\$40.00	\$25.87				
APRIL THRU OCTOBER						
FIRST 1000 CCF/MONTH			\$0.21504	\$0.35130	\$0.00054	\$0.56688
OVER 1000 CCF/MONTH			\$0.16504	\$0.35130	\$0.00054	\$0.51688
NOVEMBER THRU MARCH						
ALL CCF			\$0.21504	\$0.35130	\$0.00054	\$0.56688
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)						
BASIC SERVICE CHARGE	\$180.00	\$25.87				
APRIL THRU OCTOBER						
FIRST 1000 CCF/MONTH			\$0.21504	\$0.35130	\$0.00054	\$0.56688
OVER 1000 CCF/MONTH			\$0.16504	\$0.35130	\$0.00054	\$0.51688
NOVEMBER THRU MARCH						
ALL CCF			\$0.21504	\$0.35130	\$0.00054	\$0.56688
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)						
BASIC SERVICE CHARGE	\$40.00	\$245.08				
APRIL THRU OCTOBER						
FIRST 1000 CCF/MONTH			\$0.22779	\$0.35130	\$0.00000	\$0.57909
OVER 1000 CCF/MONTH			\$0.17779	\$0.35130	\$0.00000	\$0.52909
NOVEMBER THRU MARCH						
ALL CCF			\$0.22779	\$0.35130	\$0.00000	\$0.57909
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)						
BASIC SERVICE CHARGE	\$180.00	\$245.08				
APRIL THRU OCTOBER						
FIRST 1000 CCF/MONTH			\$0.22779	\$0.35130	\$0.00000	\$0.57909
OVER 1000 CCF/MONTH			\$0.17779	\$0.35130	\$0.00000	\$0.52909
NOVEMBER THRU MARCH						
ALL CCF			\$0.22779	\$0.35130	\$0.00000	\$0.57909
<hr/>						
				RATE PER 1000 CUBIC FEET		
Rate AAGS						
BASIC SERVICE CHARGE	\$400.00	\$2,688.31				
ALL MCF			\$0.70090	\$3.5130	\$0.0054	\$4.21930
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				RATE PER 100 CUBIC FEET		
RATE DGGS - COMMERCIAL & INDUSTRIAL						
(meter capacity < 5000 CF/HR)						
BASIC SERVICE CHARGE	\$40.00	\$0.00				
ALL CCF			\$0.03329	\$0.35130	\$ 1.12630	\$1.51089
RATE DGGS - COMMERCIAL & INDUSTRIAL						
(meter capacity >= 5000 CF/HR)						
BASIC SERVICE CHARGE	\$180.00	\$0.00				
ALL CCF			\$0.03329	\$0.35130	\$ 1.12630	\$1.51089



EFFECTIVE RATES FOR RIDER TS-2 TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE  
RENDERED FROM  
May 1, 2016 through July 31, 2016

Charges in addition to Customer's Retail Rate	ADMIN. CHARGE (PER MONTH)	RATE PER MCF
		PIPELINE SUPPLIER'S DEMAND COMPONENT
<b>Rider TS-2</b>		
RATE CGS - COMMERCIAL	\$550.00	
APRIL THRU OCTOBER		
FIRST 100 MCF/MONTH		\$0.8442
OVER 100 MCF/MONTH		\$0.8442
NOVEMBER THRU MARCH		
ALL MCF		\$0.8442
RATE IGS - INDUSTRIAL	\$550.00	
APRIL THRU OCTOBER		
FIRST 100 MCF/MONTH		\$0.8442
OVER 100 MCF/MONTH		\$0.8442
NOVEMBER THRU MARCH		
ALL MCF		\$0.8442
Rate AAGS	\$550.00	\$0.8442

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**Charges for Gas Transportation Services Provided Under Rate FT**

May 1, 2016 through July 31, 2016

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Transportation Service:

Monthly Transportation Administrative Charge	\$550.00
Distribution Charge / Mcf Delivered	\$0.4302

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Ancillary Services:

Daily Demand Charge	\$0.1673
Daily Storage Charge	<u>\$0.1833</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3506

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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)**

May 1, 2016 through July 31, 2016

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Transportation Service:

Monthly Transportation Administrative Charge	As Per Special Contract
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	\$0.1673
Daily Storage Charge	<u>\$0.1833</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3506

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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%

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\* 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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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR 31 2016

PUBLIC SERVICE  
COMMISSION

In the Matter of

THE PETITION OF LOUISVILLE GAS AND )  
ELECTRIC COMPANY FOR CONFIDENTIAL )  
TREATMENT OF CERTAIN INFORMATION ) CASE NO. 2016-00 137  
CONTAINED IN ITS QUARTERLY GAS )  
SUPPLY CLAUSE FILING )

**PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY  
FOR CONFIDENTIAL TREATMENT OF CERTAIN INFORMATION  
CONTAINED IN ITS QUARTERLY GAS SUPPLY CLAUSE FILING**

Louisville Gas and Electric Company (“LG&E”), pursuant to 807 KAR 5:001, Section 13, petitions the Commission to classify and protect as confidential certain information that is contained in its Quarterly Gas Supply Clause filing, as more fully described below:

1. LG&E is filing contemporaneously with this Petition, as required by its tariffs governing its Gas Supply Clause (Original Sheet Nos. 85.1 and 85.2 of LG&E Gas Tariff PSC No. 10), a statement setting forth the summary of the total purchased gas costs for the period of November 2015 through January 2016 (“Summary”). Included in the Summary, which is included in the filing as two pages in Exhibit B-1, pages 6 and 7, is certain information the disclosure of which would damage LG&E’s competitive position and business interests. As required by 807 KAR 5:001, Section 13(2)(b), LG&E is providing one copy of this Summary, under seal, with the material for which confidential treatment is requested highlighted, and ten copies of the Summary with the confidential material redacted.

2. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party.

3. The Summary contains sensitive commercial information, the disclosure of which would injure LG&E's ability to negotiate future gas supply contracts at advantageous prices and, thereby, minimize the price of natural gas to its customers, and would unfairly advantage LG&E's competitors for both gas supplies and retail gas load. Any impairment of its ability to obtain the most advantageous price possible from natural gas producers and marketers will necessarily erode LG&E's competitive position vis-a-vis other energy suppliers that compete in LG&E's service territory, as well as other LDCs with whom LG&E competes for new and relocating industrial customers. This sensitive information identifies LG&E's natural gas suppliers for the period set forth and links those providers with specific gas volumes delivered and the costs thereof. Redacting the suppliers' names from the Summary will prevent other parties from piecing together the sensitive information which LG&E seeks to protect from disclosure. LG&E, therefore, proposes that the identity of each supplier be kept confidential.

Disclosure of the suppliers' identities will damage LG&E's competitive position and business interest in two ways. First, it will allow LG&E's competitors to know the unit price and overall cost of the gas LG&E is purchasing from each supplier. This information is valuable to LG&E's competitors because it can alert them to the identity of LG&E's low cost suppliers, and if those supply agreements are more favorable than theirs, they can attempt to outbid LG&E for those suppliers. This would raise prices to LG&E which would hurt its competitive position and harm its ratepayers. Second, it will provide competitors of LG&E's suppliers with information which will enable future gas bidding to be manipulated to the competitors'

advantage and to the detriment of LG&E and its customers. Instead of giving its best price in a bid, a gas supply competitor with knowledge of the recent pricing practices of LG&E's other suppliers could adjust its bid so that it just beats other bidders' prices or other terms. As a result, LG&E and its customers will pay a higher price for gas than they would have otherwise.

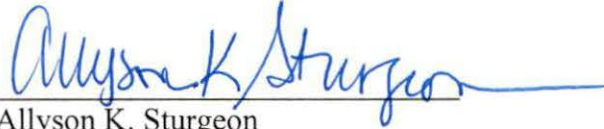
4. LG&E has filed similar requests with the Commission with regard to the same information contained in prior quarterly Gas Supply Clause filings, which the Commission has granted.

5. The information in the Summary for which LG&E is seeking confidential treatment is not known outside of LG&E and the relevant suppliers, and it is not disseminated within LG&E except to those employees with a legitimate business need to know and act upon the information.

6. The public interest will be served by granting this Petition in that competition among LG&E's prospective gas suppliers will be fostered, and the cost of gas to LG&E's customers will thereby be minimized. In addition, the public interest will be served by fostering full and fair competition between LG&E and other energy service providers within LG&E's gas service territory. For this reason and because LG&E's contracts with supplier require that the information be kept confidential, LG&E respectfully requests that the confidential material should be treated as confidential for an indefinite period of time.

**WHEREFORE**, Louisville Gas and Electric Company respectfully requests that the Commission classify and protect as confidential for an indefinite period of time the identity of the gas suppliers listed in the statement that sets forth the summary of the total purchased gas costs for the period of November 2015 through January 2016 and that is included in the three month filing made concurrently herewith pursuant to LG&E's Gas Supply Clause.

Respectfully submitted,



Allyson K. Sturgeon  
Senior Corporate Attorney  
LG&E and KU Energy LLC  
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Fax: (502) 627-3367  
Allyson.Sturgeon@lge-ku.com

*Counsel for Louisville Gas and Electric Company*

**CERTIFICATE OF SERVICE**

2/2 This is to certify that a true copy of the foregoing instrument was delivered by hand on the 21<sup>st</sup> of March, 2016, to the Office of the Attorney General, Office for Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601-8204.



Counsel for Louisville Gas and Electric Company