

Mr. John Rohlf Natural Gas Supply Manager Ford Motor Company 550 Town Center Drive, Suite 200 Dearborn, Michigan 48126-2716

July 24, 2008

RE: Louisville Gas and Electric Company's Application To File Depreciation Study - Case No. 2007-00564

and

Louisville Gas and Electric Company's Application For Adjustments in its Electric and Gas Rates -Case No. 2008-00252

Dear Mr. Rohlf:

On July 29, 2008, Louisville Gas and Electric Company ("LG&E") filed a Statutory Notice with the Kentucky Public Service Commission ("Commission") requesting an increase in its gas and electric rates, including the rates contained in the special contract under which Ford Motor Company receives natural gas transportation service, which incorporates by reference transportation service provided under LG&E's Firm Transportation Service (Non-Standby) Rate FT.

On January 13, 2009, LG&E filed a Settlement Agreement with the Commission proposing rates lower than those originally proposed. February 5, 2009, after evidentiary hearings, the Commission issued its Order in Case No. 2008-00252 (consolidated with Case No. 2007-00564 by Order dated August 22, 2008) approving the rates submitted by LG&E in the Settlement Agreement, including the rates contained in the aforementioned

special contract as follows:

Monthly Transportation Administrative Charge: Monthly Customer Charge:

Daily Storage Charge: Distribution Charge:

\$0.3200 per Mof

\$230.00

\$275.00

PUBLIC SERVICE COMMISSION OF KENTUCKY

Louisville Gas and **Electric Company**

State Regulation and Rates

Louisville, Kentucky 40232

robert.conroy@eon-us.com

220 West Main Street

PO Box 32010

www.eon-us.com

Robert M. Conroy Director - Rates

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\$0.1833 per McfPURSUANT TO 807 KAR 5:011

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The notice date to transfer to Rate Schedule FT has been changed from April 30 to March 31; however, this will not affect your service since you already take service pursuant to Rate Schedule FT. Also, Reserved Balancing Service under Rider RBS, a rider to Rate FT, has been eliminated.

All other provisions of your contract, not specifically mentioned herein, remain the same as those in effect prior to the date of the Commission's Order of February 5, 2009, and all other Tariffs and Riders applicable to this contract will continue to apply.

If you have any further questions regarding this matter, please contact me.

Sincerely,

Robert M. Conroy

cc:

Mr. Nick Nichols

Ford Motor Company Louisville Assembly Plant

P O Box 32990

Fern Valley Rd. at Grade Lane Louisville, Kentucky 40232 Mr. Mark Abrams Ford Motor Company Kentucky Truck Plant P. O. Box 32310 11000 Westport Road Louisville, KY 40232

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By Executive Directo