



July 29, 2004

Louisville Gas and Electric Company
220 West Main Street (40202)
P.O. Box 32010
Louisville, Kentucky 40232

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
Post Office Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

JUL 29 2004

PUBLIC SERVICE
COMMISSION

Re: Gas Supply Clause - Case No. 2004-00271

Dear Ms. O'Donnell:

Pursuant to the Commission's Order dated July 23, 2004 in Case No. 2004-00271, filed herewith are an original and four copies of the following sheets of LG&E Tariff PSC of Kentucky Gas No. 6, reflecting the Gas Supply Cost Component established in such Order.

New Revision

First Revision of Original Sheet No. 5
First Revision of Original Sheet No. 6
First Revision of Original Sheet No. 10
First Revision of Original Sheet No. 15
First Revision of Original Sheet No. 20.1
First Revision of Original Sheet No. 25
First Revision of Original Sheet No. 30.3
First Revision of Original Sheet No. 53
First Revision of Original Sheet No. 70

Superseding

Original Sheet No. 5
Original Sheet No. 6
Original Sheet No. 10
Original Sheet No. 15
Original Sheet No. 20.1
Original Sheet No. 25
Original Sheet No. 30.3
Original Sheet No. 53
Original Sheet No. 70

Please contact me if you have any questions concerning this filing.

Respectfully,

Robert M. Conroy
Manager, Rates

Enclosures

STANDARD RATE SCHEDULE

RGS

Residential Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for residential customers.

RATE

Customer Charge: \$8.50 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	\$0.15470
Gas Supply Cost Component	<u>0.84857</u>
Total Charge Per 100 Cubic Feet	\$1.00327

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

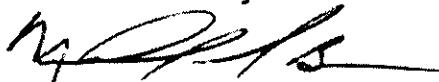
TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: July 29, 2004
Canceling Original Sheet No. 5
Issued July 20, 2004

Issued By

Date Effective: August 1, 2004



Michael S. Beer, Vice President
Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004

STANDARD RATE SCHEDULE

VFD

Volunteer Fire Department Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

RATE

Customer Charge: \$8.50 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	\$0.15470
Gas Supply Cost Component	<u>0.84857</u>
Total Charge Per 100 Cubic Feet	\$1.00327

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

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Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: July 29, 2004
Canceling Original Sheet No. 6
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Date Effective: August 1, 2004



Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE

CGS

Firm Commercial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

RATE

Customer Charge

If all of the customer's meters have a capacity < 5000 cf/hr:	\$ 16.50 per delivery point per month
If any of the customer's meters have a capacity ≥ 5000 cf/hr:	\$117.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component	14.968¢
Gas Supply Cost Component	<u>84.857</u>
Total Charge Per 100 Cubic Feet	99.825¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: July 29, 2004
Canceling Original Sheet No. 10
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Michael S. Beer, Vice President
Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004

STANDARD RATE SCHEDULE IGS
Firm Industrial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	14.968¢
Gas Supply Cost Component	<u>84.857</u>
Total Charge Per 100 Cubic Feet	99.825¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

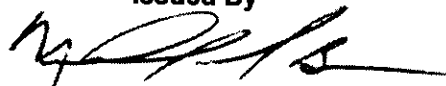
TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: July 29, 2004
Canceling Original Sheet No. 15
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Issued By

Date Effective: August 1, 2004



Michael S. Beer, Vice President
Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004

STANDARD RATE SCHEDULE AAGS
As-Available Gas Service

RATE

Customer Charge:
\$150.00 per delivery point per month

Charge Per Mcf	
Distribution Cost Component	\$.5252
Gas Supply Cost Component	<u>8.4857</u>
Total Charge Per Mcf	\$9.0109

The "Gas Supply Cost Component" as shown above is the cost per Mcf determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

PENALTY FOR FAILURE TO INTERRUPT

Company shall have the right to interrupt sales service under this rate schedule upon eighteen (18) hours' prior notice. Provision of oral notice by telephone to Customer shall be deemed proper notice of interruption of service under this rate schedule.

In addition to the charges set forth above, if the Customer fails to discontinue the consumption of natural gas at its facility at the conclusion of the eighteen- (18-) hour notice period, the Company may charge the Customer the following penalty for each Mcf used during the period of interruption in addition to any other remedy available to Company, including, but not limited to, immediate termination of service under this rate schedule, irrespective of the provisions set forth on "Contract Term", and immediate transfer by Company to either Rate CGS or Rate IGS, as applicable.

Customer shall be charged a per Mcf penalty charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion--South Point on the day to which such interruption of service is applicable, plus any other charges under this rate schedule for such unauthorized usage by Customer that occurs following the conclusion of the eighteen- (18-) hour notice of interruption by Company to Customer.

If Customer is delivering quantities of gas to Company pursuant to Rate TS during such period of interruption, the charge described in the immediately preceding paragraph shall be applicable only to those quantities used by customer in excess of those being delivered by Customer to Company

Date of Issue: July 29, 2004
Canceling Original Sheet No. 20.1
Issued July 20, 2004

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Date Effective: August 1, 2004



Michael S. Beer, Vice President
Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004

**STANDARD RATE SCHEDULE TS
Gas Transportation Service/Standby**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate AAGS who consume at least 50 Mcf each day during the billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

	<u>CGS</u>	<u>IGS</u>	<u>AAGS</u>
Distribution Charge Per Mcf	\$1.4968	\$1.4968	\$.5252
Pipeline Supplier's Demand Component	.8789	.8789	.8789
Total	<u>\$2.3757</u>	<u>\$2.3757</u>	<u>\$1.4041</u>

The "**Distribution Charge**" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's Gas Supply Clause.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

Date of Issue: July 29, 2004
Canceling Original Sheet No. 25
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Date Effective: August 1, 2004



Michael S. Beer, Vice President
Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

Daily Demand Charge:	\$0.2105 per Mcf
Daily Storage Charge:	<u>0.1200</u>
Utilization Charge for Daily Imbalances:	\$0.3305 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.

These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed $\pm 10\%$ of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion South Point on the day for which the OFO was violated, plus any other charges under this rate schedule for such unauthorized receipts or deliveries that occur twenty-four (24) hours after notice of the OFO is provided to the Customer or that fall outside the ± 10 percent imbalance tolerance regardless of the notice.

Company will not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of an OFO. Payment of charges hereunder shall not be considered an exclusive remedy for failure to comply with the OFO, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

Date of Issue: July 29, 2004
Canceling Original Sheet No. 30.3
Issued July 20, 2004

Issued By

Date Effective: August 1, 2004



**Michael S. Beer, Vice President
Louisville, Kentucky**

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004

STANDARD RIDER

RBS

Reserved Balancing Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT" or to FT Pool Managers served under Pooling Service-Rate FT.

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 6.4000 per Mcf
Monthly Balancing Charges:	<u>3.6500</u>
Total:	\$10.0500 per Mcf

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed $\pm 10\%$ of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from the difference calculated above. If the result is a negative number, no Utilization Charge for Daily Imbalances will be applied. If the result is positive the Utilization Charge for Daily Imbalances will be applied to the positive value.

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Michael S. Beer, Vice President
Louisville, Kentucky

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Louisville Gas and Electric Company

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

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

APPLICABLE TO

All gas sold.

GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost	79.764¢
Gas Cost Actual Adjustment (GCAA)	(0.173)
Gas Cost Balance Adjustment (GCBA)	4.182

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

None Applicable

Performance-Based Rate Recovery Component (PBRRC)	<u>1.084</u>
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Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	84.857¢
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Canceling Original Sheet No. 70
Issued July 20, 2004

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Michael S. Beer, Vice President
Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004