



2008-00564

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

RECEIVED

DEC 30 2008

**PUBLIC SERVICE
COMMISSION**

**Louisville Gas and
Electric Company**
State Regulation and Rates
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Louisville, Kentucky 40232
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Director - Rates
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December 30, 2008

**Re: *Louisville Gas and Electric Company -
Gas Supply Clause Effective February 1, 2009***

Dear Ms. Stumbo:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and four copies of the Twentieth Revision of Original Sheet No. 70 of LG&E Tariff PSC of Kentucky Gas No. 6 setting forth a Gas Supply Cost Component of 96.643 cents per 100 cubic feet applicable to all gas sold during the period of February 1, 2009 through April 30, 2009. 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 February 1, 2009 through April 30, 2009.

Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 of 6 and 6 of 6.

This filing represents expected gas costs for the three-month period February 1, 2009 through April 30, 2009. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on November 1, 2008. These adjustment levels will remain in effect from February 1, 2009 through April 30, 2009.

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

We respectfully request your acceptance of this filing which we believe is in full compliance with the provisions of the LG&E Gas Supply Clause approved by the Kentucky Public Service Commission.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', with a long horizontal flourish extending to the right.

Robert M. Conroy

Louisville Gas and Electric Company

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

STANDARD RATE SCHEDULE	GSC	
Gas Supply Clause		
APPLICATION TO		
All gas sold.		
 GAS SUPPLY COST COMPONENT (GSCC)		
Gas Supply Cost	90.631 ¢	R
Gas Cost Actual Adjustment (GCAA)	3.654	R
Gas Cost Balance Adjustment (GCBA)	1.257	I
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:		
None Applicable	0.000	
Performance-Base Rate Recovery Component (PBRRC)	<u>1.101</u>	I
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	96.643 ¢	R

Date of Issue: December 30, 2008
Canceling Nineteenth Revision of
Original Sheet No. 70
Issued October 31, 2008

Issued By

Date Effective: February 1, 2009

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

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

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2008-00XXX

For the Period

February 1, 2009 through April 30, 2009

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After February 1, 2009

2008-00XXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	101,960,375
Total Expected Customer Deliveries: February 1, 2009 through April 30, 2009	Mcf	11,250,108
Gas Supply Cost Per Mcf	\$/Mcf	9.0631
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	90.631

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

Description	Unit	Amount
Current Quarter Actual Adjustment Eff. February 1, 2009 (Case No. 2008-00246)	¢/Ccf	(6.716)
Previous Quarter Actual Adjustment Eff. November 1, 2008 (Case No. 2008-00117)	¢/Ccf	3.024
2nd Previous Qrt. Actual Adjustment Eff. August 1, 2008 (Case No. 2007-00559)	¢/Ccf	5.053
3rd Previous Qrt. Actual Adjustment Eff. May 1, 2008 (Case No. 2007-00428)	¢/Ccf	2.293
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	3.654

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

Description	Unit	Amount
Balance Adjustment Amount	\$	(1,414,502)
Total Expected Customer Deliveries: February 1, 2009 through April 30, 2009	Mcf	11,250,108
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	0.1257
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	1.257

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Refund Factor Effective:	¢/Ccf	0.000
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	0.000

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

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	1.101
Total of PBRR Factors Per 100 Cubic Feet	¢/Ccf	1.101

Gas Supply Cost Component (GSCC) Effective February 1, 2009 through April 30, 2009

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	90.631
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	3.654
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	1.257
Refund Factors (RF)	¢/Ccf	0.000
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	1.101
Total Gas Supply Cost Component (GSCC)	¢/Ccf	96.643

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From February 1, 2009 through April 30, 2009

	February	March	April	Total Feb09 thru Apr'09
MMBtu				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	549,866	589,507	1,265,442	2,404,815
2. Expected Gas Supply Transported Under Texas' Rate FT	280,000	80,000	300,000	660,000
3. Expected Gas Supply Transported Under Texas' Rate STF	0	0	540,000	540,000
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	1,120,000	1,240,000	0	2,360,000
5. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	0	0	0	0
6. Total MMBtu Purchased	1,949,866	1,909,507	2,105,442	5,964,815
7. Plus: Withdrawals from Texas Gas' NNS Storage Service	518,000	0	0	518,000
8. Less: Injections into Texas Gas' NNS Storage Service	0	0	660,000	660,000
9. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	2,467,866	1,909,507	1,445,442	5,822,815
Mcf				
10. Total Purchases in Mcf	1,902,308	1,862,934	2,054,090	
11. Plus: Withdrawals from Texas Gas' NNS Storage Service	505,366	0	0	
12. Less: Injections Texas Gas' NNS Storage Service	0	0	643,902	
13. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	2,407,674	1,862,934	1,410,188	
14. Plus: Customer Transportation Volumes under Rate TS	19,881	14,653	8,214	
15. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 13 + Line 14)	2,427,555	1,877,587	1,418,402	
16. Less: Purchases for Depts. Other Than Gas Dept.	241	8,276	60	
17. Less: Purchases Injected into LG&E's Underground Storage	0	0	0	
18. Mcf Purchases Expensed during Month (Line 13 - Line 16 - Line 17)	2,407,314	1,869,311	1,418,342	5,672,219
19. LG&E's Storage Inventory - Beginning of Month	8,520,001	5,540,001	3,150,001	
20. Plus: Storage Injections into LG&E's Underground Storage (Line 17)	0	0	0	
21. LG&E's Storage Inventory - Including Injections	8,520,001	5,540,001	3,150,001	
22. Less: Storage Withdrawals from LG&E's Underground Storage	2,940,841	2,357,164	773,747	6,071,752
23. Less: Storage Losses	39,159	32,836	26,253	98,248
24. LG&E's Storage Inventory - End of Month	5,540,001	3,150,001	2,350,001	
25. Mcf of Gas Supply Expensed during Month (Line 18 + Line 22 + Line 23)	5,387,433	4,244,658	2,210,128	11,842,219
Cost				
26. Total Demand Cost - Including Transportation (Line 15 x Line 48)	\$2,409,591	\$1,863,693	\$1,407,906	
27. Less: Demand Cost Recovered thru Rate TS (Line 14 x Line 48)	19,734	14,545	8,153	
28. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$2,389,857	\$1,849,148	\$1,399,753	
29. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 49)	3,329,824	3,591,218	7,365,505	
30. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 50)	1,633,968	469,656	1,740,510	
31. Commodity Costs - Gas Supply Under Rate STF (Line 3 x Line 51)	0	0	3,151,548	
32. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 4 x Line 52)	6,376,608	7,104,208	0	
33. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 5 x Line 53)	0	0	0	
34. Total Purchased Gas Cost	\$13,730,257	\$13,014,230	\$13,657,316	\$40,401,803
35. Plus: Withdrawals from NNS Storage (Line 7 x Line 49)	3,136,853	0	0	3,136,853
36. Less: Purchases Injected into NNS Storage (Line 8 x Line 49)	0	0	3,841,530	3,841,530
37. Total Cost of Gas Delivered to LG&E	\$16,867,110	\$13,014,230	\$9,815,786	\$39,697,126
38. Less: Purchases for Depts. Other Than Gas Dept. (Line 16 x Line 54)	1,688	57,815	418	59,921
39. Less: Purchases Injected into LG&E's Storage (Line 17 x Line 54)	0	0	0	0
40. Pipeline Deliveries Expensed During Month	\$16,865,422	\$12,956,415	\$9,815,368	\$39,637,205
41. LG&E's Storage Inventory - Beginning of Month	\$86,060,530	\$55,959,550	\$31,818,160	
42. Plus: LG&E Storage Injections (Line 39 above)	0	0	0	
43. LG&E's Storage Inventory - Including Injections	\$86,060,530	\$55,959,550	\$31,818,160	
44. Less: LG&E Storage Withdrawals (Line 22 x Line 55)	29,705,435	23,809,714	7,815,618	\$61,330,767
45. Less: LG&E Storage Losses (Line 23 x Line 55)	395,545	331,676	265,182	992,403
46. LG&E's Storage Inventory - End of Month	\$55,959,550	\$31,818,160	\$23,737,360	
47. Gas Supply Expenses (Line 40 + Line 44 + Line 45)	\$46,966,402	\$37,097,805	\$17,896,168	\$101,960,375
Unit Cost				
48. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.9926	\$0.9926	\$0.9926	
49. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$6.0557	\$6.0919	\$5.8205	
50. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$5.8356	\$5.8707	\$5.8017	
51. Commodity Cost (per MMBtu) under Texas Gas's Rate STF	\$6.3402	\$6.3753	\$5.8362	
52. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$5.6934	\$5.7292	\$5.6071	
53. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$5.9233	\$5.9588	\$5.9380	
54. Average Cost of Deliveries (Line 37 / Line 13)	\$7.0056	\$6.9859	\$6.9606	
55. Average Cost of Inventory - including Injections (Line 43 / Line 21)	\$10.1010	\$10.1010	\$10.1010	
Gas Supply Cost				
56. Total Expected Mcf Deliveries (Sales) to Customers (February 1, 2009 through April 30, 2009)				11,250,108 Mcf
57. Current Gas Supply Cost (Line 47 / Line 56)				\$9.0631 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From February 1, 2009 through April 30, 2009

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$12.7104	x	119,913	MMBtu	x	12	\$18,289,706
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$5.9992	x	10,000	MMBtu	x	12	719,904
Texas Gas Firm Transportation (Rate STF) Monthly Demand Charge	(	\$6.2178	x	10,542	MMBtu	x	12	786,577
Tenn. Gas Firm Transportation (Rate FT-A, 0-2) Monthly Demand Charge	(	\$6.4640	x	40,000	MMBtu	x	12	3,102,720
Tenn. Gas Firm Transportation (Rate FT-A, 1-2) Monthly Demand Charge	(	\$6.4640	x	11,000	MMBtu	x	12	853,248
Long-Term Firm Contracts with Suppliers (Annualized)								10,584,429

ANNUAL DEMAND COSTS

\$34,336,584

Expected Annual Deliveries from Pipeline Transporters 35,458,596
(Including Transportation Under Rate TS) - MMBtu

Expected Annual Deliveries from Pipeline Transporters 34,593,752
(Including Transportation Under Rate TS) - Mcf

AVERAGE DEMAND COST PER MCF

0.9926

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
For The Three-Month Period From February 1, 2009 through April 30, 2009

Pipeline Supplier's Demand Component per Mcf	\$0.9926
Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	0.0000
Performance Based Rate Recovery Component (see Exhibit E)	<u>0.0217</u>
<i>Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation</i>	<u><u>1.0143</u></u>

Demand-Related Supply Costs Applicable to Daily Utilization Charge under
Rates FT and PS and for Reserved Balancing Service Under Rider RBS

Design Day Requirements (in Mcf) 442,031

Reserved Balancing Service Charge (per Mcf Reserved):

Annual Charge -> (Annual Demand Costs / Design Day Requirements)	\$77.68
Monthly Charge -> (Annual Charge / 12 Months)	<u><u>\$6.47</u></u>

Daily Utilization Charge (per Mcf of Non-Reserved Balancing):

(Annual Reserved Balancing Charge / 365 Days) - 100% Load Factor Rate	<u><u>\$0.2128</u></u>
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LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2008-00XXX

Gas Supply Cost Effective February 1, 2009

LG&E is served by Texas Gas Transmission, LLC ("TGT") pursuant to the terms of transportation agreements under Rates NNS-4, FT-4, and STF-4, and by Tennessee Gas Pipeline Company ("TGPL") pursuant to the terms of a transportation agreement under Rate FT-A-2.

Texas Gas Transmission, LLC

On October 14, 2008, TGT submitted tariff sheets to the FERC in Docket No. RP08-392 to reflect a tariff reorganization by TGT. The new tariff filing restates the rates previously in effect and approved by FERC.

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

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 which will be applicable on and after February 1, 2009, and became effective October 1, 2008. The rates absent any discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.4190/MMBtu (or an equivalent monthly demand charge of \$12.7446/MMBtu) and (b) a commodity charge of \$0.0631/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$12.7104/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0606/MMBtu.

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

On October 14, 2008, TGT submitted tariff sheets to the FERC in Docket No. RP08-392 to reflect a tariff reorganization by TGT. The new tariff filing restates the rates previously in effect and approved by FERC.

Attached hereto as Exhibit A-1 (a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 applicable on and after February 1, 2009. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges which became effective September 15, 2008. Page 3 contains the tariff sheet which sets forth the commodity charges which became effective October 1, 2008. The rates absent the discounts negotiated by LG&E would be as follows: (a) a daily demand charge of \$0.3142/MMBtu (or an equivalent monthly demand charge of \$9.5569/MMBtu) and (b) a commodity charge of \$0.0545/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$5.9992/MMBtu and an annual volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0200/MMBtu.

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

On October 14, 2008, TGT submitted tariff sheets to the FERC in Docket No. RP08-392 to reflect a tariff reorganization by TGT. The new tariff filing restates the rates previously in effect and approved by FERC.

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 February 1, 2009, and which became effective September 15, 2008. The rates absent the discounts negotiated by LG&E would be as follows: (a) For the winter season, a daily demand charge of \$ \$0.4701/MMBtu (or an equivalent monthly demand charge of \$14.2989/MMBtu) and (b) a commodity charge of \$0.0545/MMBtu, and for the summer season, (a) a demand charge of \$0.2042/MMBtu (or an equivalent monthly demand charge of \$6.2178/MMBtu) and (b) a commodity charge of \$0.0545. The rates applicable to LG&E are as follows: a weighted-average monthly demand charge of \$6.2178/MMBtu; a winter season commodity-only rate of \$0.5246/MMBtu and a summer season commodity rate of \$0.0545/MMBtu.

Tennessee Gas Pipeline Company

On August 29, 2008, TGPL filed tariff sheets at the FERC in Docket No. RP08-569 to implement a new ACA Unit Charge of \$0.0017/MMBtu. The rates otherwise applicable to LG&E remain unchanged from those previously in effect and approved by FERC.

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

Attached hereto as Exhibit A-1 (a), Pages 5 and 6, are the tariff sheets for transportation service under Rate FT-4 applicable on and after February 1, 2009. Page 5 contains the tariff sheet which sets forth the monthly demand charges effective July 1, 2008. Page 6 contains the tariff sheet which sets forth the commodity charges effective October 1, 2008. The rates absent the discounts negotiated by LG&E would be as follows for deliveries from Zone 0 to Zone 2: (a) a daily demand charge of \$0.2979/MMBtu (or an equivalent monthly demand charge of \$9.06/MMBtu) and (b) a commodity charge of \$0.0897/MMBtu. The rates absent the discounts negotiated by LG&E would be as follows for delivers from Zone 1 to Zone 2: (a) a daily demand charge of \$0.2505/MMBtu (or an equivalent monthly demand charge of \$7.62/MMBtu) and (b) a commodity charge of \$0.0793/MMBtu.

However, LG&E has negotiated discounts that result in a monthly demand charge applicable to LG&E of \$6.4640/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0175/MMBtu, irrespective of the zone of receipt.

Gas Supply Costs

The New York Mercantile Exchange (“NYMEX”) natural gas futures prices as of December 29, 2008, are \$6.084/MMBtu for February, \$6.099/MMBtu for March, and \$6.123/MMBtu for April. However, 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 about 1% lower than at the same time last year¹;
- Other commodity prices, including the prices of alternate forms of energy such as oil (currently at about \$40 per barrel) have decreased from record highs of over \$140 earlier in 2008, presumably driven by concerns over an economic recession;
- International competition for energy, including LNG, and the U.S. natural gas market are impacted by global supply and demand;
- LNG supplies which could provide marginal supplies to the U.S. market are generally moving to overseas markets which are commanding prices even higher than those in the U.S.;
- The U.S. continues to increase reliance upon gas-fired electric generation facilities;
- National restrictions have closed or limited certain areas to exploration for new gas supplies although new legislation may lift such bans;
- New domestic supplies from unconventional shale gas plays are coming on line;
- Despite increases in gas reserves, new pipeline infrastructure to bring new gas supply to market is lagging demand with a potential credit crunch curbing further pipeline development; and
- The 2008 hurricane season was the fourth most active since 1944, with about 20% of natural gas production in the Gulf of Mexico still shut-in following Hurricanes Gustav and Ike according to the Minerals Management Service.

During the three-month period under review, February 1, 2009 through April 30, 2009, LG&E estimates that its total purchases will be 5,822,815 MMBtu. LG&E expects that 2,262,815 MMBtu will be met with deliveries from TGT’s pipeline service under Rate NNS (2,404,815 MMBtu in pipeline deliveries less 142,000 MMBtu in net storage injections); 660,000 MMBtu will be met from deliveries under TGT’s pipeline service under Rate FT; 540,000 MMBtu will be met from deliveries under TGT’s pipeline service under Rate STF; 2,360,000 MMBtu will be

¹ The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending December 19, 2008, indicated that storage inventory levels were lower than last year’s levels. Storage inventories across the nation are 35 Bcf (3,020 Bcf – 3,055 Bcf), or 1%, lower this year than the same period one year ago. Last year at this time, 3,055 Bcf was held in storage. Storage inventories across the nation are 99 Bcf (3,020 Bcf – 2,921 Bcf), or 3%, higher this year than the five-year average. On average for the last five years at this time, 2,921 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas tend to cause increases in the expected price of natural gas.

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

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the NNS service is expected to be \$5.6330 per MMBtu in February 2009, \$5.6670 in March 2009, and \$5.6320 in April 2009. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the FT service is expected to be \$5.6330 per MMBtu in February 2009, \$5.6670 in March 2009, and \$5.6320 in April 2009. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the STF service is expected to be \$5.6330 per MMBtu in February 2009, \$5.6670 in March 2009, and \$5.6320 in April 2009. 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 \$5.3830 per MMBtu in February 2009, \$5.4170 in March 2009, and \$5.3420 in April 2009, and the average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL from its Zone 1 is expected to be \$5.6530 per MMBtu in February 2009, \$5.6870 in March 2009, and \$5.7020 in April 2009.

Set forth below are the commodity costs as delivered to LG&E after giving effect to TGT's and TGPL's commodity charges for transporting the gas under Rates NNS, FT, STF, and FT-A and the applicable retention percentages:

RATE NNS
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RATE NNS RETENTION (TO ZONE 4)</u>	<u>TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Feb 2009	\$5.6330	6.04%	\$0.0606	\$6.0557
Mar	\$5.6670	6.04%	\$0.0606	\$6.0919
Apr	\$5.6320	2.22%	\$0.0606	\$5.8205

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

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE SL TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Feb 2009	\$5.6330	3.14%	\$0.0200	\$5.8356
Mar	\$5.6670	3.14%	\$0.0200	\$5.8707
Apr	\$5.6320	2.59%	\$0.0200	\$5.8017

RATE STF
SYSTEM SUPPLY 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 SL TO 4)</u>	<u>RATE STF TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Feb 2009	\$5.6330	3.14%	\$0.5246	\$6.3402
Mar	\$5.6670	3.14%	\$0.5246	\$6.3753
Apr	\$5.6320	2.59%	\$0.0545	\$5.8362

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENNESSEE GAS'S FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TENN. GAS</u>	<u>RETENTION (TO ZONE 2)</u>	<u>RATE FT-A TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Zone 0				
Feb 2009	\$5.3830	5.16%	\$0.0175	\$5.6934
Mar	\$5.4170	5.16%	\$0.0175	\$5.7292
Apr	\$5.3420	4.43%	\$0.0175	\$5.6071

Zone 1

Feb 2009	\$5.6530	4.28%	\$0.0175	\$5.9233
Mar	\$5.6870	4.28%	\$0.0175	\$5.9588
Apr	\$5.7020	3.69%	\$0.0175	\$5.9380

The annual demand billings covering the 12 months from February 1, 2009 through January 31, 2010, for the firm contracts with natural gas suppliers are currently expected to be \$10,584,429.

Rate FT, Rider RBS, and Rate PS

The demand-related supply costs applicable to the Daily Utilization Charge under Rates FT and PS-FT, and the Reserved Balancing Service under Rider RBS, applicable during the three-month period of February 1, 2009 through April 30, 2009 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 Gas Tariff
Third Revised Volume No. 1

First Revised Sheet No. 26
Superseding
Original Sheet No. 26

Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service Under Rate Schedule NNS			
	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
Zone SL			
Daily Demand	0.1800		0.1800
Commodity	0.0253	0.0017	0.0270
Overrun	0.2053	0.0017	0.2070
Zone 1			
Daily Demand	0.2782		0.2782
Commodity	0.0431	0.0017	0.0448
Overrun	0.3213	0.0017	0.3230
Zone 2			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0017	0.0477
Overrun	0.3548	0.0017	0.3565
Zone 3			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0017	0.0507
Overrun	0.4033	0.0017	0.4050
Zone 4			
Daily Demand	0.4190		0.4190
Commodity	0.0614	0.0017	0.0631
Overrun	0.4804	0.0017	0.4821
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 16 of the General Terms and Conditions.			
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental transportation charge of:			
	Daily Demand	\$0.0621	
	Commodity	\$0.0155	
	Overrun	\$0.0776	
This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.			
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental transportation charge of:			
	Daily Demand	\$0.1288	
	Commodity	\$0.0068	
	Overrun	\$0.1356	
These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.			

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

Issued on: October 14, 2008

Effective on: October 1, 2008

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

Substitute Original Sheet No. 21

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

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

Minimum Rates: Demand \$-0-

Backhaul rates equal fronthaul rates to zone of delivery.

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

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 16 of the General Terms and Conditions.
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental Daily Demand charge of \$0.0621. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

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

First Revised Sheet No. 22
Superseding
Original Sheet No. 22

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

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
SL-SL	0.0104	0.0017	0.0121
SL-1	0.0355	0.0017	0.0372
SL-2	0.0399	0.0017	0.0416
SL-3	0.0445	0.0017	0.0462
SL-4	0.0528	0.0017	0.0545
1-1	0.0337	0.0017	0.0354
1-2	0.0385	0.0017	0.0402
1-3	0.0422	0.0017	0.0439
1-4	0.0508	0.0017	0.0525
2-2	0.0323	0.0017	0.0340
2-3	0.0360	0.0017	0.0377
2-4	0.0446	0.0017	0.0463
3-3	0.0312	0.0017	0.0329
3-4	0.0398	0.0017	0.0415
4-4	0.0360	0.0017	0.0377

Minimum Rates: Commodity minimum base rates are presented on Sheet 32.

Backhaul rates equal fronthaul rates to zone of delivery.

Notes:

- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental Commodity charge of \$0.0155. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Commodity charge of \$0.0068. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

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

Substitute Original Sheet No. 24

Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service under Rate Schedule STF		
	Peak (Winter)-Demand	Off-Peak (Summer)-Demand
	Currently Effective Rates [1]	Currently Effective Rates [1]
SL-SL	0.1188	0.0516
SL-1	0.2322	0.1009
SL-2	0.3172	0.1378
SL-3	0.3731	0.1621
SL-4	0.4701	0.2042
1-1	0.1873	0.0814
1-2	0.2723	0.1183
1-3	0.3282	0.1426
1-4	0.4252	0.1847
2-2	0.1992	0.0866
2-3	0.2551	0.1108
2-4	0.3492	0.1517
3-3	0.1766	0.0768
3-4	0.2707	0.1177
4-4	0.2056	0.0893

Notes:

- The STF commodity rate is the applicable FT commodity rate on Sheet No. 22. The STF overrun rate equals the daily demand rate plus applicable FT commodity rate. Minimum rate: Demand \$-0- The minimum commodity rate is presented on Sheet 32.
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental Daily Demand charge of \$0.0621. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

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

Issued on: October 14, 2008

Effective on: September 15, 2008

TENNESSEE GAS PIPELINE COMPANY
FERC Gas Tariff
FIFTH REVISED VOLUME NO. 1

Twenty-Sixth Revised Sheet No. 23
Superseding
Twenty-Fifth Revised Sheet No. 23

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$3.10		\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
L		\$2.71						
1	\$6.66		\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06		\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53		\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53		\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09		\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59		\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Surcharges

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
PCB Adjustment: 1/ 0	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
L		\$0.00						
1	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Maximum Reservation Rates 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$3.10		\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
L		\$2.71						
1	\$6.66		\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06		\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53		\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53		\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09		\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59		\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Minimum Base Reservation Rates The minimum FT-A Reservation Rate is \$0.00 per Dth

Notes:

- 1/ PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000, was revised and the PCB Adjustment Period has been extended until June 30, 2010 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.
- 2/ Maximum rates are inclusive of base rates and above surcharges.

TENNESSEE GAS PIPELINE COMPANY
FERC Gas Tariff
FIFTH REVISED VOLUME NO. 1

Twentieth Revised Sheet No. 23A
Superseding
Nineteenth Revised Sheet No. 23A

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0439		\$0.0669	\$0.0880	\$0.0978	\$0.1118	\$0.1231	\$0.1608
L		\$0.0286						
1	\$0.0669		\$0.0572	\$0.0776	\$0.0874	\$0.1014	\$0.1126	\$0.1503
2	\$0.0880		\$0.0776	\$0.0433	\$0.0530	\$0.0681	\$0.0783	\$0.1159
3	\$0.0978		\$0.0874	\$0.0530	\$0.0366	\$0.0663	\$0.0765	\$0.1142
4	\$0.1129		\$0.1025	\$0.0681	\$0.0663	\$0.0401	\$0.0459	\$0.0834
5	\$0.1231		\$0.1126	\$0.0783	\$0.0765	\$0.0459	\$0.0427	\$0.0765
6	\$0.1608		\$0.1503	\$0.1159	\$0.1142	\$0.0834	\$0.0765	\$0.0642

Minimum
Commodity Rates 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0026		\$0.0096	\$0.0161	\$0.0191	\$0.0233	\$0.0268	\$0.0326
L		\$0.0034						
1	\$0.0096		\$0.0067	\$0.0129	\$0.0159	\$0.0202	\$0.0236	\$0.0294
2	\$0.0161		\$0.0129	\$0.0024	\$0.0054	\$0.0100	\$0.0131	\$0.0189
3	\$0.0191		\$0.0159	\$0.0054	\$0.0004	\$0.0095	\$0.0126	\$0.0184
4	\$0.0237		\$0.0205	\$0.0100	\$0.0095	\$0.0015	\$0.0032	\$0.0090
5	\$0.0268		\$0.0236	\$0.0131	\$0.0126	\$0.0032	\$0.0022	\$0.0069
6	\$0.0326		\$0.0294	\$0.0189	\$0.0184	\$0.0090	\$0.0069	\$0.0031

Maximum
Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0456		\$0.0686	\$0.0897	\$0.0995	\$0.1135	\$0.1248	\$0.1625
L		\$0.0303						
1	\$0.0686		\$0.0589	\$0.0793	\$0.0891	\$0.1031	\$0.1143	\$0.1520
2	\$0.0897		\$0.0793	\$0.0450	\$0.0547	\$0.0698	\$0.0800	\$0.1176
3	\$0.0995		\$0.0891	\$0.0547	\$0.0383	\$0.0680	\$0.0782	\$0.1159
4	\$0.1146		\$0.1042	\$0.0698	\$0.0680	\$0.0418	\$0.0476	\$0.0851
5	\$0.1248		\$0.1143	\$0.0800	\$0.0782	\$0.0476	\$0.0444	\$0.0782
6	\$0.1625		\$0.1520	\$0.1176	\$0.1159	\$0.0851	\$0.0782	\$0.0659

Notes:

- 1/ The above maximum rates include a per Dth charge for:
(ACA) Annual Charge Adjustment \$0.0017
- 2/ The applicable fuel retention percentages are listed on Sheet No. 29, provided that for service rendered solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2008-00XXX

Calculation of Gas Cost Actual Adjustment (GCAA)

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of over-recovery from Case Number 2008-00246 during the three-month period of August 1, 2008 through October 31, 2008 was \$21,155,634. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a refund of 6.716¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after February 1, 2009, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from August 2008 through October 2008. [Please note that the names of the suppliers have been redacted from this page, in accordance with LG&E's petition for confidentiality filed this quarter.]

Also in this filing, LG&E will be eliminating the GCAA from Case 2007-00267, with service rendered through January 31, 2009, which will have been in effect for twelve months. Any over or under recovery of the amount originally established in this GCAA will be transferred to the Gas Cost Balance Adjustment (GCBA) which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after the month of May 2009.

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

Current Quarter Actual Adjustment:	
Effective February 1, 2009 from 2008-00246	(6.716) cents/Ccf
Previous Quarter Actual Adjustment	
Effective November 1, 2008 from 2008-00117	3.024 cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective August 1, 2008 from 2007-00559	5.053 cents/Ccf
3rd Previous Quarter Actual Adjustment	
Effective May 1, 2008 from 2007-00428	2.293 cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	3.654 cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Start Date	End Date	Case Number	Total Dollars of Gas Cost Recovered ¹	Gas Supply Cost Per Books ²	Over Or (Under) Recovery (1) - (2)	(4) Expected Mcf Sales for 12- Month Period From Date Implemented	(5) GCAA Per Mcf	(6) GCAA Per 100 Cu. Ft.	(7) Implemented With Service Rendered On	(1) (2) (3) (4) (5) (6) (7)		
										(1)	(2)	(3)	Denivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries
Feb-2004	Apr-2004	1 (Case No. 2004-00506)	83,438,486	81,507,939	1,930,547	36,434,958	(\$0.0530)	(\$0.00530)	8/1/2004			
May-2004	Jul-2004	2 (Case No. 2004-00117)	19,042,943	21,865,358	(2,822,415)	36,321,555	\$0.0777	\$0.00777	11/1/2004			
Aug-2004	Oct-2004	3 (Case No. 2004-00271)	25,903,070	20,754,205	5,148,865	36,326,312	(\$0.1417)	(\$0.01417)	2/1/2005			
Nov-2004	Jan-2005	4 (Case No. 2004-00390)	121,366,510	128,832,748	(7,466,238)	36,421,319	\$0.2050	\$0.02050	5/1/2005			
Feb-2005	Apr-2005	5 (Case No. 2004-00526)	97,013,157	96,350,924	662,233	36,428,002	(\$0.0182)	(\$0.00182)	8/1/2005			
May-2005	Jul-2005	6 (Case No. 2005-00143)	31,352,437	29,163,240	2,189,197	35,923,358	(\$0.0609)	(\$0.00609)	11/1/2005			
Aug-2005	Oct-2005	7 (Case No. 2005-00274)	26,937,216	45,136,099	(18,198,883)	36,264,049	\$0.5018	\$0.05018	2/1/2006			
Nov-2005	Jan-2006	8 (Case No. 2005-00401)	195,225,843	176,113,181	19,112,662	36,235,391	(\$0.5275)	(\$0.05275)	5/1/2006			
Feb-2006	Apr-2006	9 (Case No. 2006-00005)	118,813,736	99,908,070	18,905,666	36,234,450	(\$0.5218)	(\$0.05218)	8/1/2006			
May-2006	Jul-2006	10 (Case No. 2006-00138)	25,653,769	25,555,064	98,705	33,519,195	(\$0.0029)	(\$0.00029)	11/1/2006			
Aug-2006	Oct-2006	11 (Case No. 2006-00335)	30,851,071	27,737,106	3,113,965	33,575,288	(\$0.0927)	(\$0.00927)	2/1/2007			
Nov-2006	Jan-2007	12 (Case No. 2006-00431)	117,566,789	121,616,960	(4,050,171)	33,784,429	\$0.1199	\$0.01199	5/1/2007			
Feb-2007	Apr-2007	13 (Case No. 2007-00001)	96,196,128	109,420,254	(13,224,126)	33,829,123	\$0.3909	\$0.03909	8/1/2007			
May-2007	Jul-2007	14 (Case No. 2007-00141)	25,771,197	22,055,021	3,716,176	32,562,833	(\$0.1141)	(\$0.01141)	11/1/2007			
Aug-2007	Oct-2007	15 (Case No. 2007-00267)	27,831,017	22,940,375	4,890,642	32,561,210	(\$0.1502)	(\$0.01502)	2/1/2008			
Nov-2007	Jan-2008	16 (Case No. 2007-00428)	131,149,323	138,564,724	(7,415,401)	32,334,823	\$0.2293	\$0.02293	5/1/2008			
Feb-2008	Apr-2008	17 (Case No. 2007-00559)	103,258,883	119,589,310	(16,330,427)	32,320,126	\$0.5053	\$0.05053	8/1/2008			
May-2008	Jul-2008	18 (Case No. 2008-00117)	33,383,585	42,952,739	(9,569,154)	31,639,729	\$0.3024	\$0.03024	11/1/2008			
Aug-2008	Oct-2008	19 (Case No. 2008-00246)	50,063,758	28,898,124	21,155,634	31,498,657	(\$0.6716)	(\$0.06716)	2/1/2009			

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation of Gas Costs Recovered
Under Company's Gas Supply Clause

	Monthly Mcf Sales ¹	Feb 1, 2007 through Apr 30, 2007	May 1, 2007 through July 31, 2007	August 1, 2007 through Oct 31, 2007	Nov 1, 2007 through Jan 31, 2008	Feb 1, 2008 through Apr 30, 2008	May 1, 2008 through July 31, 2008	August 1, 2008 through October 31, 2008
1	2007							
2	MAY	1,488,291	858,431	631,859				
3	JUN	864,422		864,422				
4	JULY	764,303		764,303				
5	AUG	727,533		373,273				
6	SEPT	763,556		763,556				
7	OCT	811,984		811,984				
8	NOV	2,092,834		920,771	1,172,063			
9	DEC	4,281,656			4,281,656			
10	JAN	6,009,012			6,009,012			
11	FEB	6,108,672			2,966,845			
12	MAR	5,425,227				3,141,827		
13	APR	3,100,020				5,425,227		
14	MAY	1,021,526				3,100,020		
15	JUN	808,754				783,557		
16	JULY	754,483					715,885	
17	AUG	762,512					1,021,526	
18	SEPT	878,606					808,754	
19	OCT	2,158,532					352,462	
20	NOV							402,022
								762,512
								878,606
								1,119,734
20	Applicable Mcf Sales During 3 Month Period	12,051,122	2,614,844	2,869,583	14,429,576	12,450,630	2,898,628	3,162,873
21	Gas Supply Clause Case No.	2007-00001	2007-00141	2007-00267	2007-00428	2007-00559	2008-00117	2008-00246
22	Gas Supply Cost Recovered Per Mcf Sold	\$7,5931	\$9,7761	\$8,7448	\$8,5907	\$6,2054	\$11,4339	\$15,6896
23	Dollars of Recovery Under GSC	\$91,505,375	\$25,562,979	\$25,093,933	\$123,960,157	\$102,162,399	\$33,142,618	\$49,655,847
24	Total Dollars Recovered During 3-Month Period	29,958	23,416	25,541	22,610	19,435	17,711	9,189
25	Mcf of Customer-Owned Gas Transported Under Rate TS							
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period	0.9522	0.9451	0.9455	0.9577	0.9579	0.9650	0.9648
27	Pipeline Suppliers' Demand Component Per Mcf	\$28,526	\$22,130	\$24,149	\$21,653	\$18,617	\$17,091	\$8,865
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)	\$410,936	\$186,088	\$503,482	\$882,470	\$204,913	\$223,876	\$389,046
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$4,251,291	\$0	\$2,209,444	\$6,285,043	\$872,953	\$0	\$0
30	Revenues from Off-system Sales							
31	Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30)	\$96,196,128	\$25,771,197	\$27,831,017	\$131,149,323	\$103,258,683	\$33,383,585	\$50,053,758

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

LOUISVILLE GAS AND ELECTRIC COMPANY
Summary of Gas Costs Recovered
Under Provisions of Rate FT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Billing Month	Case Number	UCDI Demand Chrg / Mcf	Seasonal Demand Chrg / Mcf	RBS Demand Chrg / Mcf	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	MMBTU Adjust. (Mcf)	MMBTU Adjust. (\$)	UCDI Mcf	UCDI \$ [(3) x (10)]	Seasonal RBS Mcf [(4) x (12)]	Seasonal RBS \$ [(4) x (12)]	RBS Mcf	RBS \$ [(5) x (14)]	OFO \$	Monthly \$'s Recovered [(7)+(9)+(11) + (13)+(15)+(16)]
2006 Aug	2006-00335	0.2131	0	\$6.48	9,527.8	\$93,962.12	639.0	\$ 5,598.72	83,837.9	\$17,865.86	0.0	\$0.00	0.00	\$0.00	\$0.00	\$107,426.70
2006 Sept	2006-00335	0.2131	0	\$6.48	12,487.2	\$76,440.14	1,429.0	\$ 7,930.73	69,549.7	\$14,821.04	0.0	\$0.00	0.00	\$0.00	\$0.00	\$98,191.91
2006 Oct	2006-00335	0.2131	0	\$6.48	37,290.9	\$330,424.25	203.0	\$ 1,472.93	119,422.2	\$25,448.87	0.0	\$0.00	0.00	\$0.00	\$0.00	\$257,346.05
																\$583,964.66
2006 Nov	2006-00431	0.2176	0	\$6.62	1,701.4	\$14,862.56	1,373.0	\$ 9,722.79	119,184.2	\$25,934.48	0.0	\$0.00	0.00	\$0.00	\$41,367.18	\$91,907.01
2006 Dec	2006-00431	0.2176	0	\$6.62	4,772.4	\$41,088.57	2,411.0	\$ 15,605.21	135,286.2	\$29,438.28	0.0	\$0.00	0.00	\$0.00	\$50,663.42	\$136,775.46
2007 Jan	2006-00431	0.2176	0	\$6.62	7,101.8	\$58,638.73	2,067.0	\$ 15,165.86	156,314.4	\$34,014.01	0.0	\$0.00	0.00	\$0.00	\$96,522.62	\$202,341.22
																\$188,553.22
																\$431,023.71
2007 Feb	2007-00001	0.2176	0	\$6.62	1,055.3	\$12,564.54	1,506.0	\$ 11,591.94	258,951.7	\$56,347.89	0.0	\$0.00	0.00	\$0.00	\$152,878.31	\$233,322.68
2007 Mar	2007-00002	0.2176	0	\$6.62	-	\$360.00	2,041.0	\$ 14,389.05	123,399.7	\$26,851.77	0.0	\$0.00	0.00	\$0.00	\$0.00	\$41,600.82
2007 Apr	2007-00003	0.2176	0	\$6.62	6,333.4	\$58,474.85	803.0	\$ 6,351.01	188,886.2	\$41,101.64	0.0	\$0.00	0.00	\$0.00	\$30,025.16	\$135,952.66
																\$182,903.47
																\$410,936.16
2007 May	2007-00141	0.2176	0	\$6.62	647.1	\$5,947.20	296.0	\$ 2,362.70	62,028.2	\$13,497.34	0.0	\$0.00	0.00	\$0.00	\$0.00	\$21,807.24
2007 Jun	2007-00141	0.2176	0	\$6.62	1,505.2	\$13,071.41	-	\$ -	43,652.3	\$9,498.74	0.0	\$0.00	0.00	\$0.00	\$0.00	\$22,570.15
2007 Jul	2007-00141	0.2176	0	\$6.62	17,398.1	\$125,903.30	-	\$ -	76,779.0	\$16,707.11	0.0	\$0.00	0.00	\$0.00	\$0.00	\$141,710.41
																\$0.00
																\$186,087.80
2007 Aug	2007-00287	0.2176	0	\$6.62	3,986.2	\$32,499.44	-	\$ -	78,201.7	\$17,016.69	0.0	\$0.00	0.00	\$0.00	\$0.00	\$49,518.13
2007 Sept	2007-00287	0.2176	0	\$6.62	29,851.7	\$204,877.70	598.0	\$ 3,921.52	96,324.2	\$20,960.15	0.0	\$0.00	0.00	\$0.00	\$0.00	\$29,559.37
2007 Oct	2007-00287	0.2176	0	\$6.62	27,302.0	\$208,519.29	1.0	\$ 7.39	73,921.8	\$15,899.54	0.0	\$0.00	0.00	\$0.00	\$0.00	\$224,416.22
																\$0.00
																\$503,491.72
2007 Nov	2007-00428	0.2176	0	\$6.62	37,813.1	\$313,011.02	(84.0)	\$ (758.09)	142,109.4	\$30,923.01	0.0	\$0.00	0.00	\$0.00	\$0.00	\$343,175.94
2007 Dec	2007-00428	0.2176	0	\$6.62	15,174.3	\$123,893.07	(190.0)	\$ (1,388.00)	156,529.3	\$34,060.78	0.0	\$0.00	0.00	\$0.00	\$36,488.90	\$193,072.75
2008 Jan	2007-00428	0.2176	0	\$6.62	9,718.1	\$88,833.46	(129.0)	\$ (992.66)	276,318.0	\$60,126.80	0.0	\$0.00	0.00	\$0.00	\$198,253.50	\$346,221.10
																\$234,740.40
																\$882,469.78
2008 Feb	2007-00559	0.2115	0	\$6.43	1,540.1	\$27,701.32	2,357.0	\$ 19,981.09	147,843.4	\$31,268.88	0.0	\$0.00	0.00	\$0.00	\$0.00	\$78,931.28
2008 Mar	2007-00559	0.2115	0	\$6.43	2,436.2	\$25,806.10	2,725.0	\$ 26,825.16	111,721.1	\$23,629.01	0.0	\$0.00	0.00	\$0.00	\$1,076.74	\$77,937.01
2008 Apr	2007-00559	0.2115	0	\$6.43	715.3	\$6,661.06	1,700.0	\$ 17,284.69	107,325.7	\$22,698.39	0.0	\$0.00	0.00	\$0.00	\$1,076.74	\$48,645.14
																\$0.00
																\$204,913.44
2008 May	2008-00117	0.2115	0	\$6.43	944.8	\$12,353.88	1,411.0	\$ 15,546.32	71,617.5	\$15,147.10	0.0	\$0.00	0.00	\$0.00	\$0.00	\$43,047.30
2008 Jun	2008-00117	0.2115	0	\$6.43	4,763.5	\$78,367.27	428.0	\$ 5,139.10	52,085.2	\$11,011.79	0.0	\$0.00	0.00	\$0.00	\$0.00	\$94,518.16
2008 Jul	2008-00117	0.2115	0	\$6.43	4,633.0	\$70,866.81	234.0	\$ 2,392.72	61,706.6	\$13,950.95	0.0	\$0.00	0.00	\$0.00	\$0.00	\$86,310.48
																\$0.00
																\$223,875.95
2008 Aug	2008-00246	0.2115	0	\$6.43	-	\$360.00	608.0	\$ 4,945.30	70,548.7	\$14,921.05	0.0	\$0.00	0.00	\$0.00	\$2,589.54	\$22,815.86
2008 Sept	2008-00246	0.2115	0	\$6.43	784.5	\$7,117.42	966.0	\$ 7,167.76	78,910.2	\$16,889.51	0.0	\$0.00	0.00	\$0.00	\$7,109.59	\$38,084.25
2008 Oct	2008-00246	0.2115	0	\$6.43	36,041.0	\$297,163.65	1,166.0	\$ 8,623.96	105,618.0	\$22,338.21	0.0	\$0.00	0.00	\$0.00	\$9,659.10	\$328,145.82
																\$0.00
																\$389,045.95

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 change to the customer, such revenue is flowed through the GCAA.

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

	MCF				DOLLARS				Plus: Other Gas Purchase Expenses	Total Gas Supply Cost	
	Mcf Purchases for OSS	Less: Purchases for Depts. other Than Gas Dept.	Less: Purchases Injected Into Storage	Plus: Mcf Withdrawn From Storage	Purchased Gas Costs for OSS	Purchased Gas Costs for Non-Gas Departments	Less: Purchases Injected Into Storage	Plus: Cost of Gas Withdrawn From Storage			Plus Storage Losses
November	3,016,556	(45,337)	(185,732)	673,650	26,430,816	(368,805)	(1,634,367)	4,916,395	275,278	6,730	30,595,171
December	2,895,879	(78,685)	(104,959)	2,153,807	27,955,507	(486,613)	(1,013,400)	15,440,427	254,826	8,949	42,179,696
January	3,231,228	(61,689)	0	2,813,340	24,379,913	(251,722)	0	20,168,553	193,747	9,091	48,642,093
Total November 2006 thru January 2007											121,616,960
February	4,431,420	(38,257)	(22,275)	2,904,151	37,145,995	(320,441)	(186,718)	20,628,281	195,355	8,654	61,665,960
March	1,511,359	(42,084)	(2,128)	1,641,479	15,231,795	(404,185)	(21,466)	11,774,329	164,233	9,751	26,754,457
April	1,409,897	(177,667)	(65)	2,677,842	12,146,435	(1,522,619)	(819)	10,225,197	144,287	7,357	20,999,837
Total February 2007 thru April 2007											109,420,254
May	752,051	(141,660)	(126,947)	497,347	8,106,108	(1,396,513)	(1,413,981)	3,653,561	147,613	9,474	9,106,261
June	2,279,433	(60,438)	(1,429,884)	16,669	19,695,842	(513,322)	(12,379,514)	130,808	172,761	9,092	7,115,667
July	3,729,283	(57,367)	(2,876,221)	649	26,470,490	(408,134)	(20,438,426)	4,863	196,062	8,218	5,833,093
Total May 2007 thru July 2007											22,055,021
August	4,011,754	(364,482)	(2,902,312)	788,931	27,519,929	(2,472,639)	(19,906,668)	(4,399)	253,828	8,263	5,398,315
September	3,237,536	(87,033)	(77,022)	412	20,632,234	(562,801)	(14,995,492)	2,937	247,412	8,157	6,810,546
October	3,972,767	(87,452)	(2,550,803)	302	29,732,137	(657,208)	(19,107,332)	2,173	275,278	8,333	10,731,515
Total August 2007 thru October 2007											22,940,375
November	3,043,907	(43,219)	(121,119)	715,542	25,955,545	(369,850)	(1,034,284)	5,185,623	273,862	9,606	29,991,003
December	3,087,783	(52,844)	(77,022)	2,405,730	27,502,731	(464,468)	(687,363)	17,364,076	251,118	9,967	43,976,042
January	4,004,398	(69,998)	(8,089)	40,819	35,395,408	(621,081)	(71,575)	23,924,381	294,550	8,945	64,597,878
Total November 2007 thru January 2008											138,564,724
February	3,542,768	(61,790)	(42,607)	2,728,438	34,245,510	(596,837)	(412,001)	19,731,553	248,612	8,343	54,026,895
March	2,679,353	(93,561)	0	1,923,034	29,309,488	(989,829)	0	13,901,805	212,290	6,564	42,440,318
April	1,220,252	(62,351)	0	947,762	16,963,378	(866,394)	0	6,851,466	178,161	5,478	23,122,097
Total February 2008 thru April 2008											119,589,310
May	1,081,443	(209)	0	103,443	17,879,722	(3,416)	0	747,810	192,694	4,184	18,820,994
June	2,440,847	(1,267)	(1,616,782)	537	37,958,895	(14,816)	(25,130,936)	5,809	307,683	3,451	13,128,086
July	3,710,065	(2)	(2,895,695)	356	48,406,651	(25)	(37,826,148)	4,201	413,376	5,804	11,003,659
Total May 2008 thru July 2008											42,952,739
August	3,698,782	(3)	(2,912,887)	375	34,917,638	(29)	(27,496,197)	4,154	453,973	3,957	7,883,496
September	3,526,649	(394)	(2,701,640)	520	30,073,443	(6,243)	(23,003,114)	5,463	468,713	7,574	7,545,838
October	3,643,764	(4)	(1,987,021)	654	28,557,376	(65)	(15,537,312)	6,624	435,627	5,533	13,467,793
Total Aug 2008 thru Oct 2008											28,898,124

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

DELIVERED BY TEXAS GAS TRANSMISSION, LLC

COMMODITY AND VOLUMETRIC CHARGES:

NATURAL GAS SUPPLIERS:

	AUGUST 2008			SEPTEMBER 2008			OCTOBER 2008		
	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
1 . A	102,883	100,374	\$831,605.00	0	0	\$0.00	19,349	18,877	\$131,828.48
2 . B	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
3 . C	257,765	251,478	\$2,166,820.00	248,440	242,381	\$1,893,740.51	257,759	251,472	\$1,754,187.50
4 . D	391,282	381,738	\$3,622,970.00	315,550	307,854	\$2,609,750.00	391,282	381,739	\$2,861,300.00
5 . E	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
6 . F	0	0	\$0.00	0	0	\$0.00	8,735	8,522	\$62,595.00
7 . G	58,236	56,816	\$475,050.00	0	0	\$0.00	0	0	\$0.00
8 . H	108,550	105,902	\$906,532.94	96,512	94,158	\$725,588.08	150,316	146,650	\$999,806.91
9 . I	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
10 . J	270,785	264,180	\$2,485,890.00	262,050	255,659	\$2,146,500.00	171,500	167,317	\$1,270,429.86
11 . K	269,500	262,927	\$2,521,170.96	538,000	525,854	\$4,509,230.88	0	0	\$0.00
12 . L	300,886	293,547	\$2,754,350.00	291,180	284,078	\$2,377,500.00	0	0	\$0.00
13 . M	35,912	35,036	\$305,345.00	48,530	47,346	\$370,875.00	75,917	74,065	\$495,453.37
14 . N	0	0	\$0.00	0	0	\$0.00	215,473	210,218	\$1,432,670.00
15 . O	35,912	35,036	\$282,730.00	48,530	47,346	\$368,875.00	186,145	181,605	\$1,264,954.05
16 . P	0	0	\$0.00	0	0	(\$0.01)	0	0	\$0.00
17 . Q	61,147	59,656	\$500,265.00	0	0	\$0.00	285,943	259,457	\$1,806,710.00
18 . R	666,562	650,304	\$5,608,240.00	643,906	628,201	\$4,912,485.75	686,558	650,300	\$4,540,220.02
19 . S	0	0	\$0.00	0	0	\$0.00	66,585	64,961	\$463,852.00
	2,559,420	2,496,994	\$22,460,968.90	2,493,698	2,432,877	\$19,914,545.21	2,475,562	2,415,183	\$17,074,007.19
	90,001	87,806	\$806,255.96	56,983	55,593	\$465,220.61	159,594	155,701	\$1,107,949.43
	(124,899)	(121,853)	(\$1,118,862.71)	(92,910)	(90,644)	(\$756,535.82)	(122,203)	(119,222)	(\$848,369.89)
	0	78	\$0.00	0	0	\$0.00	(4,060)	(3,862)	(\$33,146.65)
	0	0	\$0.00	0	0	\$0.00	0	0	\$1,484.74
	(34,898)	(33,969)	(\$49,893.24)	(35,927)	(35,051)	(\$4,703.95)	33,331	32,587	\$22,293.33
			(\$262,743.51)			(\$278,611.26)			\$250,210.96
	0	(2,095)	\$120,236.11	0	(4,859)	\$117,306.28	0	(5,072)	\$119,613.08
	0	0	\$0.06	0	0	\$0.01	0	0	(\$224.89)
	2,524,522	2,460,930	\$120,236.17	2,457,771	2,392,967	\$117,306.29	2,508,893	2,442,708	\$119,398.19
			\$22,318,461.56			\$19,753,240.24			\$17,443,606.34

NET NNS STORAGE

NATURAL GAS TRANSPORTERS:

1 . TEXAS GAS TRANSMISSION, LLC	\$119,613.08
2 . ADJUSTMENTS	(\$224.89)
3 . ADJUSTMENTS	\$0.00
TOTAL	\$119,398.19

TOTAL COMMODITY AND VOLUMETRIC CHARGES

DEMAND AND FIXED CHARGES:

1 . TEXAS GAS TRANSMISSION, LLC	\$1,664,432.78
2 . ADJUSTMENTS	\$0.00
3 . SUPPLY RESERVATION CHARGES	\$636,000.40
4 . ADJUSTMENTS	\$0.00
5 . CAPACITY RELEASE CREDITS	\$0.00
TOTAL DEMAND AND FIXED CHARGES	\$2,300,433.18

TOTAL PURCHASED GAS COSTS -- TEXAS GAS TRANSMISSION, LLC

	\$20,910,203.64
	\$19,744,039.52

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

	AUGUST 2008		SEPTEMBER 2008		OCTOBER 2008	
	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
DELIVERED BY TENNESSEE GAS PIPELINE COMPANY						
COMMODITY AND VOLUMETRIC CHARGES:						
NATURAL GAS SUPPLIERS:						
1. T	310,000	300,971	250,180	242,893	306,925	297,985
2. U	0	0	0	0	0	0
3. V	0	0	0	0	0	0
4. W	929,586	902,511	894,266	868,219	913,128	886,532
	<u>1,239,586</u>	<u>1,203,482</u>	<u>1,144,446</u>	<u>1,111,112</u>	<u>1,220,053</u>	<u>1,184,517</u>
		\$2,877,286.08	\$2,047,182.16	\$6,609,376.05	\$6,144,424.18	\$6,354,046.26
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$7,935,428.24	\$6,609,376.05	\$8,656,558.21	\$6,144,424.18	\$6,354,046.26
		<u>\$10,812,714.32</u>	<u>\$8,656,558.21</u>	<u>\$18,181.02</u>	<u>\$18,082.23</u>	<u>\$13,907.30</u>
NATURAL GAS TRANSPORTERS:						
1. TENNESSEE GAS PIPELINE COMPANY		\$21,692.76	\$20,027.81			\$21,350.93
2. ADJUSTMENTS	(295)	(\$3,511.73)	(224)	(250)	(957)	(3,300)
3. ADJUSTMENTS	0	0	0	0	0	0
4. ADJUSTMENTS	0	(\$0.01)	0	0	0	0
TOTAL	<u>1,239,291</u>	<u>1,205,244</u>	<u>1,144,222</u>	<u>1,110,862</u>	<u>1,219,086</u>	<u>1,181,217</u>
TOTAL COMMODITY AND VOLUMETRIC CHARGES		\$10,830,895.34	\$8,674,640.44	\$18,082.23	\$18,082.23	\$13,907.30
DEMAND AND FIXED CHARGES:						
1. TENNESSEE GAS PIPELINE COMPANY		\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00	\$329,664.00
2. TRANSPORTATION BY OTHERS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3. SUPPLY RESERVATION CHARGES		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. CAPACITY RELEASE CREDITS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL DEMAND AND FIXED CHARGES		<u>\$329,664.00</u>	<u>\$329,664.00</u>	<u>\$329,664.00</u>	<u>\$329,664.00</u>	<u>\$329,664.00</u>
TOTAL PURCHASED GAS COSTS -- TENNESSEE GAS PIPELINE COMPANY		<u>\$11,160,559.34</u>	<u>\$9,004,304.44</u>	<u>\$18,082.23</u>	<u>\$18,082.23</u>	<u>\$13,907.30</u>
OTHER PURCHASES						
1. CASH-OUT OF CUSTOMER OVER-DELIVERIES		32,608	23,020	19,839	19,839	115,718.75
TOTAL		<u>32,608</u>	<u>23,020</u>	<u>19,839</u>	<u>19,839</u>	<u>115,718.75</u>
TOTAL PURCHASED GAS COSTS -- ALL PIPELINES		<u>3,763,813</u>	<u>3,526,849</u>	<u>3,601,993</u>	<u>3,727,979</u>	<u>28,557,375.83</u>

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2008-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over or under recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The under-recovery that must be collected under the Gas Cost Balance Adjustment (GCBA) during the period of February 1, 2009 through April 30, 2009, set forth on Page 1 of Exhibit C-1 is \$1,414,502. The GCBA factor required to collect this under-recovery is a charge of 1.257¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after February 1, 2009 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2008-00430, which, with service rendered through January 31, 2009, 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 May 1, 2009.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Implemented for Three-Month Period With Service Rendered On and After:	Remaining Over (Under) Recovery From GCAA ¹	Amt. Transferred From Refund Factor & PBRRC	GCBA From Preceding 3 Mo. Period	Applicable Sales During 3 Mo. Period ² (mcf)	GCBA Factor From Second Preceding 3 Mo. Period (cents/mcf)	Recovery Under GCBA	Remaining Over (Under) Recovery	Deferred Amounts	Total Remaining Over (Under) Recovery (\$)	Expected Sales For 3 Mo. Period (mcf)	GCBA (cents/mcf)	GCBA (cents/ccf)
	(\$)	(\$)	(\$)	(mcf)	(cents/mcf)	(\$)	(\$)	(\$)	(\$)	(mcf)	(cents/mcf)	(cents/ccf)
May 1, 2004 (Case No. 2004-00117)	(46,186)		39,561	16,014,377	(0.23)	(36,833)	2,728		(43,458)	2,869,986	1.51	0.151
August 1, 2004 (Case No. 2004-00271)	(648,088)	(886,051) ⁴	40,481	12,039,509	(0.32)	(38,526)	1,955		(1,532,184)	3,663,708	41.82	4.182
November 1, 2004 (Case No. 2004-00390)	(1,472,569)		(43,458)	2,767,447	1.51	41,788	(1,668)		(1,474,237)	16,297,803	9.05	0.905
February 1, 2005 (Case No. 2004-00526)	28,123		(1,532,184)	3,154,503	41.82	1,319,213	(212,971)		(184,848)	12,678,174	1.46	0.146
May 1, 2005 (Case No. 2005-00143)	510,098	(369,696) ⁵	(1,474,237)	14,594,142	9.05	1,318,055	(156,182)		(15,780)	3,087,349	0.51	0.051
August 1, 2005 (Case No. 2005-00274)	(708,364)	(432,909) ⁶	(184,848)	11,948,228	1.46	174,444	(10,404)		(1,151,677)	3,672,564	31.36	3.136
November 1, 2005 (Case No. 2005-00401)	197,051		(15,780)	3,040,598	0.51	15,507	(273)		196,778	17,202,665	(1.14)	(0.114)
February 1, 2006 (Case No. 2006-00005)	(292,650)		(1,151,677)	3,005,143	31.36	942,413	(209,264)		(501,914)	12,384,154	4.05	0.405
May 1, 2006 (Case No. 2006-00138)	621,092		196,778	13,959,263	(1.14)	(159,677)	37,101		658,193	3,143,460	(20.94)	(2.094)
August 1, 2006 (Case No. 2006-00335)	(1,339,631)	(270,087) ⁷	658,193	7,486,966	4.05	303,222	(198,692)		(1,808,410)	3,756,552	48.14	4.814
November 1, 2006 (Case No. 2006-00431)	123,552		(1,711,456)	2,752,572	(20.94)	(576,389)	81,804		205,356	15,898,032	(3.76)	(0.376)
February 1, 2007 (Case No. 2007-00001)	340,264		(1,711,456)	3,767,428	48.14	1,813,640	102,184		442,448	11,775,388 ³	107.65	10.765
May 1, 2007 (Case No. 2007-00141)	(3,153,475)		205,356	13,581,993	(1.29)	(175,208)	30,149		(3,123,326)	2,901,342	(49.89)	(4.989)
August 1, 2007 (Case No. 2007-00267)	2,151,894	(470,308) ⁹	442,448	12,051,122	(3.76)	(453,122)	(10,674)		1,670,912	3,349,006	(12.34)	(1.234)
November 1, 2007 (Case No. 2007-00428)	2,200,035	20,942 ¹⁰	(3,123,326)	2,614,844	107.65	2,814,880	(308,446)		1,912,531	15,504,337	(2.21)	(0.221)
February 1, 2008 (Case No. 2008-00117)	8,464		1,670,912	2,869,583	(49.89)	(1,431,635)	239,277		247,741	11,191,562	(10.30)	(1.030)
May 1, 2008 (Case No. 2008-00246)	150,798		1,912,531	14,429,576	(12.34)	(1,780,610)	131,921		282,719	2,745,844	12.42	1.242
August 1, 2008 (Case No. 2008-00246)	(169,651)	(260,366) ¹¹	247,741	12,450,630	(2.21)	(275,159)	(27,418)		(457,436)	3,682,115	1.66	0.166
November 1, 2008 (Case No. 2008-00430)	(239,644)		282,719	2,898,628	(10.30)	(298,559)	(15,839)		(255,483)	15,435,648	12.57	1.257
February 1, 2009 (Case No. 2009-00xxx)	(42,473)	(1,307,422) ¹²	(457,436)	3,162,873	12.42	392,829	(64,607)		(1,414,502)	11,250,108		

1 See Exhibit C-1, page 2.
2 Corresponds with actual applicable sales shown on Exhibit B-1, page 2.
3 For The Three-Month Period From February 1, 2009 through April 30, 2009.
4 Reconciliation of the PBRCC from Case Nos. 2000-080-B, 2000-080-I, and 2002-00261.
5 Previous Total Remaining Under-Recovery in Case No. 2005-00526 of (\$184,848) as shown in Column 10, was erroneously transferred to the Summary Sheet as an Over-Recovery and reflected as a refund factor in calculating the Gas Cost Balance Adjustment for February through April 2005. This adjustment corrects that error.
6 Reconciliation of the PBRCC from previous twelve months.
7 Reconciliation of the PBRCC from previous twelve months.
8 Correction of Total Remaining Over(Under) Recovery (Col. 10) for August 1, 2006. Applicable Sales used in this calculation should have been 9,890,883 Mcf, instead of 7,486,966 Mcf, resulting in a Total Remaining Over(Under) Recovery of (\$1,711,456), instead of (\$1,908,410).
9 Reconciliation of the PBRCC from previous twelve months.
10 This amount represents an over-refund by LG&E from the FERC settlement of the rate case filed by Texas Gas in Docket No. RP05-317 of a pipeline supplier refund.
11 Reconciliation of the PBRCC from previous twelve months.
12 This amount represents an over-refund by LG&E from Case No. 2007-00141 due to an input error as explained in Exhibit B in Case No. 2007-00559. This adjustment corrects that error.

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation of Remaining Over or (Under)
Recovery from Gas Cost Actual Adjustment

2006	January	5,536,942	As Pro-Rated for Service		Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under								
			Rendered During:													cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf	cents per Mcf
			Previous	Current																			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)									
2006	January	5,536,942	2,311,427	2,383,917	1,201,267.35	(3)	\$18,112,562	\$18,905,666	\$98,705	\$3,113,965	\$4,050,171	\$13,224,126	\$3,716,176										
	February	4,705,344			2,089,685.13	(1)																	
	March	4,164,379			1,351,387.79	(1)																	
	April	2,633,081			670,156.36	(1)																	
	May	1,335,505			463,257.04	(1)																	
	June	923,191			389,311.77	(1)																	
	July	795,759			360,591.06	(1)																	
	August	719,392			392,800.86	(1)																	
	September	782,794			1,420,425.19	(1)																	
	October	1,188,323			2,114,035.18	(1)																	
	November	2,930,660			2,366,833.03	(1)																	
	December	4,212,864			1,618,966.42	(2)																	
2007	January	4,716,686			3,226,318	3,677,588																	
	February	6,903,906			4,947,887																		
	March	4,947,887			2,569,206																		
	April	2,569,206			1,488,291																		
	May	1,488,291			864,422																		
	June	864,422			764,303																		
	July	764,303			727,533																		
	August	727,533			727,533																		
	September	727,533			753,556																		
	October	753,556			811,984																		
	November	2,092,834			920,771	1,172,063																	
	December	4,281,656			6,009,012																		
2008	January	6,009,012			2,966,845	3,141,827																	
	February	6,105,672			5,425,227																		
	March	5,425,227			3,100,020																		
	April	3,100,020			1,489,442	715,885																	
	May	1,489,442			1,021,526																		
	June	1,021,526			808,754																		
	July	808,754			754,463	402,022																	
	August	754,463			762,512																		
	September	762,512			878,608																		
	October	878,608			2,153,532	1,038,787																	
	November	2,153,532																					
Total Amount Billed Under GCAA					15,045,403	(16,960,768)																	
Remaining Amount of Over (Under) Recovery					(3,153,875)	2,191,994																	

(1) GCAA Times Sales Shown in Column 1.
 (2) GCAA Times Sales Shown in Column 2.
 (3) GCAA Times Sales Shown in Column 3.
 (4) Revised to correct error in GCAA in filing of Case No. 2007-00001. Originally filed correctly as \$0.03909/Ccf, and incorrectly revised to \$0.04063 in the next filing (Case No. 2007-00141).

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2008-00XXX

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

All Refund Factors have expired as of July 31, 2007, and because no new refunds have been received, there will be no Refund Factor in effect and applicable to gas service rendered for the period February 1, 2009 through April 30, 2009.

	<u>Sale Volumes</u>	<u>Transportation Volumes</u>
Refund Factor Effective February 1, 2009(a)	\$0.0000/Ccf	\$0.0000/Ccf

- (a) Please note that Louisville Gas and Electric Company's Tariff Sales Volumes receive both the commodity-related and demand-related portion of the Refund Factor. Transportation volumes under the Rate TS receive only the demand-related portion of the Refund Factor

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2008-00xxx
Calculation of Performance Based Rate Recovery Component (PBRRC)**

The purpose of the PBRRC is to collect Louisville Gas and Electric Company's portion of the savings created under the gas supply cost PBR. Pursuant to the gas supply cost PBR mechanism approved in Case No. 2001-00117, the PBRRC established in Case No. 2008-00559, became applicable to gas service rendered on and after February 1, 2008 and will remain in effect until January 31, 2009, after which time a new adjustment level may be implemented. Therefore, as shown in the following table, the PBRRC amount which will become effective with gas service rendered on and after February 1, 2009, and will remain in effect until January 31, 2010, is \$0.01101 and \$0.00217 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00884/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00217/Ccf</u>	<u>\$0.00217/Ccf</u>
Total PBRRC	\$0.01101/Ccf	\$0.00217/Ccf

Please note that Louisville Gas and Electric Company's tariff sales volumes receive both the commodity-related and demand-related portion of the PBRRC. Transportation volumes under Rate TS receive only the demand-related portion of the PBRRC.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2008-00XXX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2009

	CSPBR Related to <u>Commodity</u>	CSPBR Related to <u>Demand</u>
Shareholder Portion of PBR	\$2,846,488	\$701,090
Expected Mcf Sales for the 12 month period beginning February 1, 2009	32,204,739	32,323,791
PBRRC factor per Mcf	\$0.0884	\$0.0217
PBRRC factor per Ccf	\$0.00884	\$0.00217

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2008-00XXX
Shareholder Portion of PBR Savings
PBR Year 11

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

	<u>Commodity</u>	<u>Demand</u>	<u>Total</u>
Company Share of PBR Savings or (Expenses) (CSPBR)	\$2,145,398	\$701,090	\$2,846,488

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
February 1, 2009 through April 30, 2009**

	RATE PER 100 CUBIC FEET				TOTAL
	CUSTOMER CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
RATE RGS - RESIDENTIAL					
CUSTOMER CHARGE	\$8.50				
ALL CCF		\$0.15470	\$0.96643	0.01193 *	\$1.13306
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.96643	0.00105 *	\$1.11716
OVER 1000 CCF/MONTH		\$0.09968	\$0.96643	0.00105 *	\$1.06716
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.96643	0.00105 *	\$1.11716
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.96643	0.00105 *	\$1.11716
OVER 1000 CCF/MONTH		\$0.09968	\$0.96643	0.00105 *	\$1.06716
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.96643	0.00105 *	\$1.11716
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.96643	0.00000	\$1.11611
OVER 1000 CCF/MONTH		\$0.09968	\$0.96643	0.00000	\$1.06611
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.96643	0.00000	\$1.11611
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.96643	0.00000	\$1.11611
OVER 1000 CCF/MONTH		\$0.09968	\$0.96643	0.00000	\$1.06611
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.96643	0.00000	\$1.11611
Rate AAGS	\$150.00	\$0.05252	\$0.96643	0.00105	\$1.02000

* DSM Charges effective January 5, 2009.

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE

RENDERED FROM

February 1, 2009 through April 30, 2009

RATE PER MCF

	<u>ADMIN. CHARGE (PER MONTH)</u>	<u>LG&E DIST CHARGE</u>	<u>PIPELINE SUPPLIER'S DEMAND COMPONENT</u>	<u>DSM COST RECOVERY COMPONENT</u>	<u>TOTAL</u>
RATE TS					
RATE CGS - COMMERCIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$1.0143	0.1050 *	\$2.6161
OVER 100 MCF/MONTH		\$0.9968	\$1.0143	0.1050 *	\$2.1161
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$1.0143	0.1050 *	\$2.6161
RATE IGS - INDUSTRIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$1.0143	0.0000	\$2.5111
OVER 100 MCF/MONTH		\$0.9968	\$1.0143	0.0000	\$2.0111
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$1.0143	0.0000	\$2.5111
Rate AAGS	\$90.00	\$0.5252	\$1.0143	0.1050 *	\$1.6445

* DSM Charges effective January 5, 2009.

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

February 1, 2009 through April 30, 2009

Transportation Service:

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

Ancillary Services:

Daily Demand Charge	\$0.2128
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3328
Monthly Demand Charge per Mcf of Reserved Balancing Service	\$6.4700
Monthly Balancing Charge per Mcf of Reserved Balancing Service	<u>\$3.6500</u>
	\$10.1200

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.

L G & E

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

February 1, 2009 through April 30, 2009

Transportation Service:

Monthly Transportation Administrative Charge	\$90.00
Monthly Customer Charge	As Per Special Contract
Distribution Charge / Mcf Delivered	As Per Special Contract
Monthly Demand Charge/Mcf	As Per Special Contract

Ancillary Services:

Daily Demand Charge	\$0.2128
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3328

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.