

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

October 27, 2009

Re: Gas Supply Clause - Case No. 2009-00395

RECEWED

OCT 27 2009

PUBLIC SERVICE COMMISSION

Louisville Gas and Electric Company

State Regulation and Rates 220 West Main Street PO Box 32010 Louisville, Kentucky 40232 www.eon-us.com

Robert M. Conroy Director - Rates T 502-627-3324 F 502-627-3213 robert.conroy@eon-us.com

Dear Mr. DeRouen:

Pursuant to ordering paragraph (2) of the Commission's Order dated October 15, 2009 in the above-referenced case, filed herewith are an original and four copies of the following sheets of LG&E Tariff PSC Gas No. 7, reflecting the Gas Supply Cost Component established in such Order.

New Revision

Fourth Revision of Original Sheet No. 1 Third Revision of Original Sheet No. 5 Third Revision of Original Sheet No. 7 Third Revision of Original Sheet No. 10 Third Revision of Original Sheet No. 15 Third Revision of Original Sheet No. 20.1 Second Revision of Original Sheet No. 30.3 Third Revision of Original Sheet No. 35 Third Revision of Original Sheet No. 50 Third Revision of Original Sheet No. 85

Superseding

Third Revision of Original Sheet No. 1 Second Revision of Original Sheet No. 5 Second Revision of Original Sheet No. 7 Second Revision of Original Sheet No. 10 Second Revision of Original Sheet No. 15 Second Revision of Original Sheet No. 20.1 First Revision of Original Sheet No. 30.3 Second Revision of Original Sheet No. 35 Second Revision of Original Sheet No. 50 Second Revision of Original Sheet No. 85

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

Sincerely,

Robert M. Conroy

Enclosures

P.S.C. Gas No. 7, Fourth Revision of Original Sheet No. 1 anceling P.S.C. Gas No. 7, Third Revision of Original Sheet No. 1

Canceling P.S.C. Gas No. 7, Third Revision of Original Sheet No. 1 **GENERAL INDEX** Standard Gas Rate Schedules - Terms and Conditions **Effective** Sheet Number Title Date Т 1 11-01-09 General Index SECTION 1 - Standard Rate Schedules **RGS** Residential Gas Service 5 11-01-09 Т VFD Volunteer Fire Department Service 7 11-01-09 Т 10 Т Firm Commercial Gas Service 11-01-09 **CGS** 15 T Firm Industrial Gas Service 11-01-09 IGS 20 Τ As-Available Gas Service 11-01-09 AAGS Т Firm Transportation Service (Non-Standby) 30 FT 11-01-09 35 T **DGGS** Distributed Generation Gas Service 11-01-09 **Special Charges** 45 02-06-09 SECTION 2 - Riders to Standard Rate Schedules 50 Т Gas Transporation Service/Standby 11-01-09 TS PS-TS Pooling Service - Rate TS 60 02-06-09 Pooling Service - Rate FT 61 PS-FT 02-06-09 EF **Excess Facilities** 62 02-06-09 SECTION 3 - Adjustment Clauses 85 Т Gas Supply Clause 11-01-09 GSC Demand-Side Management Cost Recovery Mechanism 86 DSM 03-30-09 Performance-Based Ratemaking Mechanism 87 11-01-05 PBR **WNA** Weather Normalization Adjustment - WNA 88 09-27-00 FF Franchise Fee and Local Tax 90 02-06-09 91 02-06-09 ST School Tax Home Energy Assistance Program 92 HEA 02-06-09 **SECTION 4 - Terms and Conditions** 95 02-06-09 Customer Bill of Rights General 96 02-06-09 **Customer Responsibilities** 97 02-06-09 Company Responsibilities 98 02-06-09 Character of Service 99 02-06-09 101 02-06-09 Billing 102 **Deposits** 02-06-09 103 **Budget Payment Plan** 02-06-09 104 02-06-09 Bill Format Discontinuance of Service 105 02-06-09 Gas Main Extension Rules 106 02-06-09 Gas Service Restrictions 107 02-06-09 **Curtailment Rules** 108 02-06-09

Date of Issue: October 27, 2009 Date Effective: November 1, 2009

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

Issued By Authority of an Order of the KPSC in Case No. 2009-00395 dated October 15, 2009

P.S.C. Gas No. 7, Third Revision of Original Sheet No. 5 Canceling P.S.C. Gas No. 7, Second Revision of Original Sheet No. 5

Standard Rate

RGS

Residential Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for residential customers.

RATE

Customer Charge:

\$9.50 per delivery point per month

Plus a Charge Per 100 Cubic Feet:

Distribution Cost Component \$0.21349
Gas Supply Cost Compontent 0.49129
Total Charge Per 100 Cubic Feet \$0.70478

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 No. 85 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet No. 87, is included as a component of the Gas Supply Clause as shown on Sheet No. 85 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. 86
Weather Normalization Adjustment	Sheet No. 88
Franchise Fee and Local Tax	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance	Sheet No. 92

MINIMUM CHARGE

The Customer Charge shall be the minimum charge.

DUE DATE OF BILL

Customer's payment will be due within twelve (12) days from date of bill.

LATE PAYMENT CHARGE

If full payment is not recevied within three (3) days from the due date of the bill, a 5% late payment charge will be assessed on the current month's charges.

TERMS AND CONDITIONS

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

Date of Issue: October 27, 2009 Date Effective: November 1, 2009

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1

Standard Rate

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. Service under this rate schedule is at the option of the customer with the customer determining 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) half the members must be volunteers.

RATE

Customer Charge:

\$9.50 per delivery point per month

Plus a Charge Per 100 Cubic Feet:

Distribution Cost Component \$0.21349
Gas Supply Cost Compontent 0.49129
Total Charge Per 100 Cubic Feet \$0.70478

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 No. 85 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet No. 87, is included as a component of the Gas Supply Clause as shown on Sheet No. 85 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. 86
Weather Normalization Adjustment	Sheet No. 88
Franchise Fee and Local Tax	Sheet No. 90
School Tax	Sheet No. 91

MINIMUM CHARGE

The Customer Charge shall be the minimum charge.

DUE DATE OF BILL

Customer's paymnet will be due within twelve (12) days from date of bill.

LATE PAYMENT CHARGE

If full payment is not recevied within three (3) days from the due date of the bill, a 5% late payment charge will be assessed on the current month's charges.

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1

Standard Rate

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:

\$ 23.00 per delivery point per month

If any of the customer's meters

have a capacity ≥ 5000 cf/hr:

\$ 160.00 per delivery point per month

Plus a Charge Per 100 Cubic Feet:

Distribution cost Component Gas Supply Cost Component Total Charge Per 100 Cubic Feet \$ 0.17052 0.49129

\$ 0.66181

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 No. 85 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet No. 87, is included as a component of the Gas Supply Clause as shown on Sheet No. 85 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 \$0.05 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 Weather Normalization Adjustment Franchise Fee and Local Tax Sheet No. 86 Sheet No. 88

Sheet No. 90

Sheet No. 91

MINIMUM CHARGE

School Tax

The Customer Charge shall be the minimum charge.

DUE DATE OF BILL

Customer's payment will be due within twelve (12) days from date of bill.

LATE PAYMENT CHARGE

If full payment is not received within three (3) days from the due date of the bill, a 5% late payment charge will be assessed on the current month's charges.

TERMS AND CONDITIONS

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

Date of Issue: October 27, 2009 Date Effective: November 1, 2009

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Canceling P.S.C. Gas No. 7, Second Revision of Original Sheet No. 15

Standard Rate

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:

\$ 23.00 per delivery point per month

If any of the customer's meters

have a capacity ≥ 5000 cf/hr: \$ 160.00 per delivery point per month

Plus a Charge Per 100 Cubic Feet:

Distribution Cost Component \$ 0.16524

Gas Supply Cost Component 0.49129

Total Charge Per 100 Cubic Feet \$ 0.65653

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 No. 85 of Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet No. 87, is included as a component of the Gas Supply Clause as shown on Sheet No. 85 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 \$0.05 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. 86
Franchise Fee and Local Tax	Sheet No. 90
School Tax	Sheet No. 91

MINIMUM CHARGE

The Customer Charge shall be the minimum charge.

DUE DATE OF BILL

Customer's payment will be due within twelve (12) days from date of bill.

LATE PAYMENT CHARGE

If full payment is not received within three (3) days from the due date of the bill, a 5% late payment charge will be assessed on the current month's charges.

TERMS AND CONDITIONS

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

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P.S.C. Gas No. 7, Third Revision of Original Sheet No. 20.1 Canceling P.S.C. Gas No. 7, Second Revision of Original Sheet No. 20.1

1

Standard Rate

AAGS

As-Available Gas Service

RATE

Customer Charge:

\$275.00 per delivery point per month

Plus a Charge Per Mcf

Distribution Cost Component \$0.5252 Gas Supply Cost Component \$4.9129 Total Charge Per Mcf \$5.4381

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 No. 85 of Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet No. 87, is included as a component of the Gas Supply Clause as shown on Sheet No. 85 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

Franchise Fee and Local Tax

Sheet No. 90
School Tax

Sheet No. 91

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: October 27, 2009
Date Effective: November 1, 2009

P.S.C. Gas No. 7, Second Revision of Original Sheet No. 30.3 Canceling P.S.C. Gas No. 7, First Revision of Original Sheet No. 30.3

R

R

Standard Rate FT
Firm Transportation Service (Non-Standby)

Daily Demand Charge: \$0.1881 per Mcf Daily Storage Charge: 0.1833

Utilization Charge for Daily Imbalances: \$0.3714 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 ±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 judgement 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 deliverd 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 uner 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: October 27, 2009 Date Effective: November 1, 2009

P.S.C. Gas No. 7, Third Revision of Original Sheet No. 35 Canceling P.S.C. Gas No. 7, Second Revision of Original Sheet No. 35

\$160.00

Standard Rate	DGGS	
	Distributed Generation Gas Service	

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for commercial and industrial customers with a connected load of less than or equal to 8,000 cubic feet per hour that consume natural gas to produce electricity for own use by Customer, for further distribution, for sale in the open market, or for any other purpose.

Service hereunder shall be at a single delivery (custody transfer) point. Gas sales service provided hereunder shall be metered and billed separately from gas service provided under any other rate schedule.

Sales Service hereunder shall be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's gas system to perform such service without detriment to its other customers. Availablity of gas service under this rate schedule shall be determined by Company on a case-by-case basis, which determination shall be within Company's sole discretion. Company shall not be obligated to make modifications or additions to its gas system to serve loads under this rate schedule.

CHARACTER OF SERVICE

Gas sales service under this rate schedule shall be considered firm.

Monthly Customer Charge per Delivery Point:

RATE

In addition to any other charges set forth herein, the following charges shall apply.

Demand Charge per 100 cubic feet of Monthly Billing Demand:	\$0.9400
Plus a Charge Per 100 Cubic Feet Distribution Cost Component	\$0.02561
Gas Supply Cost Component	\$0.49129
Total Charge Per 100 Cubic Feet	\$0.51690

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 No. 85 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet No. 87, is included as a component of the Gas Supply Clause as shown on Sheet No. 85 of this Tariff.

The minimum monthly Demand Charge shall be equal to the Demand Charge per 100 cubic feet times ten (10). The total monthly minimum bill shall be the sum of the minimum monthly Demand Charge and the Monthly Customer Charge.

Date of Issue: October 27, 2009 Date Effective: November 1, 2009

P.S.C. Gas No. 7, Third Revision of Original Sheet No. 50 Canceling P.S.C. Gas No. 7, Second Revision of Original Sheet No. 50

	Canceling P.S.C. Gas No. 1, Seco	na Revision of Original Sheet No. 50
Standard Rate Rider	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

	CGS	IGS	AAGS
Distribution Charge Per Mcf	\$1.7052	\$1.6524	\$0.5252
Pipeline Supplier's Demand Component	0.9949	0.9949	0.9949
Total	\$2,7001	\$2.6473	\$1.5201

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: October 27, 2009 Date Effective: November 1, 2009

P.S.C. Gas No. 7, Third Revision of Original Sheet No. 85 Canceling P.S.C. Gas No. 7, Second Revision of Original Sheet No. 85

djustment Clause GSC Gas Supply Clause		
APPLICABLE TO All gas sold.		
GAS SUPPLY COST COMPONENT (GSCC)		
Gas Supply Cost	\$0.62628	
Gas Cost Actual Adjustment (GCAA)	(0.14440)	
Gas Cost Balance Adjustment (GCBA)	0.00058	
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:		
None Applicable	0.00000	
Performance-Based Rate Recovery Component (PBRRC)	0.00883	
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	\$0.49129	

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