

## **SETTLEMENT AGREEMENT, STIPULATION, AND RECOMMENDATION**

This Settlement Agreement, Stipulation, and Recommendation (“Settlement Agreement”) is entered into this 19th day of November 2012 by and between Kentucky Utilities Company (“KU”) and Louisville Gas and Electric Company (“LG&E”) (collectively, “the Utilities”); Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (“AG”); Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. (“CAC”); Kentucky Industrial Utility Customers, Inc. (“KIUC”); The Kroger Co. (“Kroger”); Kentucky School Boards Association (“KSBA”); Lexington-Fayette Urban County Government (“LFUCG”); Association of Community Ministries, Inc. (“ACM”); Hess Corporation (“Hess”), and Stand Energy Corporation (“Stand Energy”). (Collectively, the Utilities, AG, CAC, KIUC, Kroger, KSBA, LFUCG, ACM, Hess, and Stand Energy are the “Parties.”)

### **W I T N E S S E T H:**

**WHEREAS**, on June 29, 2012, KU filed with the Kentucky Public Service Commission (“Commission”) its Application for Authority to Adjust Electric Rates, *In the Matter of: An Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates*, and the Commission has established Case No. 2012-00221 to review KU’s base rate application, in which KU requested a revenue increase \$82.4 million;

**WHEREAS**, on June 29, 2012, LG&E filed with the Commission its Application for Authority to Adjust Electric and Gas Rates, a Certificate of Public Convenience and Necessity, Approval of Ownership of Gas Service Lines and Risers, and a Gas Line Surcharge, *In the Matter of: An Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates, a Certificate of Public Convenience and Necessity, Approval of Ownership of Gas Service Lines and Risers, and a Gas Line Surcharge*, and the Commission has

established Case No. 2012-00222 to review LG&E's base rate application, in which LG&E requested a revenue increase for its electric operations \$62.1 million and a revenue increase of \$17.2 million for its gas operations. (Case Nos. 2012-00221 and 2012-00222 are hereafter collectively referenced as the "Rate Proceedings");

**WHEREAS**, the Commission has granted intervention in Case No. 2012-00221 to the AG, CAC, KIUC, Kroger, LFUCG, and KSBA;

**WHEREAS**, the Commission has granted full intervention in Case No. 2012-00222 to ACM, the AG, KIUC, Kroger, and KSBA, and limited intervention to Hess and Stand Energy on the sole issue of gas transportation thresholds;

**WHEREAS**, a prehearing informal conference for the purpose of discussing settlement, attended by representatives of the Parties and the Commission Staff took place on November 13 and 14, 2012, at the offices of the Commission, during which a number of procedural and substantive issues were discussed, including potential settlement of all issues pending before the Commission in the Rate Proceedings;

**WHEREAS**, a prehearing informal conference for the purpose of discussing the text of this Settlement Agreement, attended by representatives of the Parties and the Commission Staff took place on November 16 and 19, 2012, at the offices of the Commission;

**WHEREAS**, all of the Parties hereto unanimously desire to settle all the issues pending before the Commission in the Rate Proceedings;

**WHEREAS**, the adoption of this Settlement Agreement as a fair, just and reasonable disposition of the issues in this case will eliminate the need for the Commission and the Parties to expend significant resources litigating these Rate Proceedings, and eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order herein;

**WHEREAS**, it is understood by all Parties hereto that this Settlement Agreement is subject to the approval of the Commission, insofar as it constitutes an agreement by all Parties to the Rate Proceedings for settlement, and, absent express agreement stated herein, does not represent agreement on any specific claim, methodology, or theory supporting the appropriateness of any proposed or recommended adjustments to the Utilities' rates, terms, or conditions;

**WHEREAS**, the Parties have spent many hours over several days to reach the stipulations and agreements which form the basis of this Settlement Agreement;

**WHEREAS**, all of the Parties, who represent diverse interests and divergent viewpoints, agree that this Settlement Agreement, viewed in its entirety, is a fair, just, and reasonable resolution of all the issues in the Rate Proceedings; and

**WHEREAS**, the Parties believe sufficient and adequate data and information support this Settlement Agreement, and further believe the Commission should approve it;

**NOW, THEREFORE**, for and in consideration of the promises and conditions set forth herein, the Parties hereby stipulate and agree as follows:

**ARTICLE I.           REVENUE REQUIREMENTS**

**SECTION 1.1.           Utilities' Electric Revenue Requirements.** The Parties stipulate that the following increases in annual revenues for LG&E electric operations and for KU operations, for purposes of determining the rates of LG&E and KU in the Rate Proceedings, are fair, just and reasonable for the Parties and for all electric customers of LG&E and KU:

LG&E Electric Operations: \$33,700,000;

KU Operations: \$51,000,000.

The Parties agree that any increase in annual revenues for LG&E electric operations and for KU operations should be effective for service rendered on and after January 1, 2013.

**SECTION 1.2. LG&E Gas Revenue Requirement.** The Parties stipulate and agree that, effective for service rendered on and after January 1, 2013, an increase in annual revenues for LG&E gas operations of \$15,000,000, for purposes of determining the rates of LG&E gas operations in the Rate Proceedings, is fair, just and reasonable for the Parties and for all gas customers of LG&E.

**SECTION 1.3.** The Parties agree that a reasonable return on equity for the Utilities is 10.25% in this case.

**SECTION 1.4. Environmental Cost Recovery Mechanism Issues.** The Parties agree that, effective as of the first expense month after the Commission approves this Settlement Agreement, the return on equity that shall apply to the Utilities' recovery under their environmental cost recovery ("ECR") mechanism is 10.25% for their 2009 and 2011 environmental compliance plans. The Parties further agree that all costs associated with KU's and LG&E's 2005 and 2006 environmental compliance plans, excepting the Emission Allowance Projects discussed in Robert M. Conroy's testimony in both Rate Proceedings (KU Project 22 and LG&E Project 17), shall be incorporated into and recovered through the Utilities' base rates and will be removed from the Utilities' monthly environmental surcharge filings effective as of the first expense month after the Commission approves this Settlement Agreement.

**SECTION 1.5. Gas Line Tracker Return on Equity.** The Parties agree that the Commission should approve LG&E's Gas Line Tracker as proposed in LG&E's application with rates to become effective on January 1, 2013. The Parties further agree that the return on equity that should apply to the Gas Line Tracker is 10.25%.

**ARTICLE II. REVENUE ALLOCATION AND RATE DESIGN**

**SECTION 2.1. Revenue Allocation.** The Parties hereto agree that the allocations of the increases in annual revenues for KU and LG&E electric operations, and that the allocation of the increase in annual revenue for LG&E gas operations, as set forth on the allocation schedules designated Exhibit 1 (KU), Exhibit 2 (LG&E electric), and Exhibit 3 (LG&E gas) attached hereto, are fair, just, and reasonable for the Parties and for all customers of LG&E and KU.

**SECTION 2.2. Tariff Sheets.** The Parties hereto agree that, effective January 1, 2013, the Utilities shall implement the electric and gas rates set forth on the tariff sheets in Exhibit 4 (KU), Exhibit 5 (LG&E electric), and Exhibit 6 (LG&E gas), attached hereto, which rates the Parties unanimously stipulate are fair, just, and reasonable and should be approved by the Commission.

**SECTION 2.3. Depreciation Rates.** The Parties agree that the depreciation rates the Utilities proposed in these Rate Proceedings, with the exception that the percentage for terminal net salvage shall be approximately 2% rather than the Utilities' proposed 10%, shall be effective for the Utilities' accounting and ratemaking purposes as of January 1, 2013. This change to depreciation rates represents a \$10.0 million reduction in annual depreciation expense for KU and a

\$9.3 million decrease in annual electric depreciation expense for LG&E from the Utilities' filed positions. The revised rates are attached hereto as Exhibit 7 (KU) and Exhibit 8 (LG&E).

**SECTION 2.4. Late Payment Charges.** The Utilities' late payment charges will be reduced to 3% from 5% for all rate schedules to which the Utilities currently apply a 5% late-payment charge. This reduction does not affect the revenue requirements stated above, and is reflected in the revenue allocations shown in Exhibits 1, 2, and 3.

**SECTION 2.5. Basic Service Charges.** The Parties agree that the following monthly basic service charge amounts shall be implemented:

LG&E and KU Rates RS, VFD, and LEV: \$10.75

LG&E Rates RGS and VFD: \$13.50

All other basic service charges shall be the amounts proposed by the Utilities. These basic service charges are reflected in the proposed tariff sheets attached hereto in Exhibits 4, 5 and 6.

**SECTION 2.6. Curtailable Service Riders.** The Parties agree that LG&E and KU will maintain their current Curtailable Service Riders, CSR10 and CSR30, without change, excepting text changes the Companies proposed in their applications to address administrative issues, as shown in Exhibits 4 and 5. These text changes will not substantively alter the way CSR10 and CSR30 currently operate.

**SECTION 2.7. LG&E's Rates CTODP and ITODP.** LG&E will maintain its two rate schedules Rate CTODP and Rate ITODP rather than merging them into a

single Rate TODP. Rates CTODP and ITODP will have similar rate structures but different rates, as shown in Exhibit 2.

**SECTION 2.8. KU's Rate AES.** With respect to schools that currently qualify to take service under Rate AES but cannot take such service because the rate schedule is closed, KU agrees to allow such schools to migrate to Rate AES, but only up to \$50,000 projected annual savings to such schools in total as determined by KU. All such migrations must occur by March 31, 2013; after that date, no school may migrate to Rate AES. In addition, no school that ceases taking service under Rate AES may return to it.

**SECTION 2.9. Gas Transportation Issues.** LG&E will change its proposed gas transportation tariff sheets so that they provide as follows:

(A) The daily nomination deadline for Rate FT and Rider PS-TS-2 is 10:00 a.m., Eastern Clock Time.

For Rate FT and Rider PS-FT, the Utilization Charge for Daily Imbalances shall apply to daily imbalances in excess of  $\pm 5\%$  of the delivered volume of gas.

(B) In order to take service under Rider TS-2, a customer, in addition to the other requirements set forth in LG&E's tariff, must consume a minimum of 15,000 Mcf of gas annually at each individual delivery point.

(C) The monthly administrative charge for customers taking service under Rate FT, Rider TS, and Rider TS-2 is \$400.00 per delivery point.

(D) Participation in a third-party managed pool under Rider PS-TS-2 is a prerequisite to a customer obtaining service under Rider TS-2. The PS-

TS-2 Pool Administrative Charge shall be \$75 per customer per month in the TS-2 Pool.

- (E) Remote metering service shall be required as a prerequisite to a customer obtaining service under Rider TS-2. The customer can elect to reimburse LG&E through either (1) a one-time payment for the installed cost of the remote metering equipment (including any required meter replacement), or (2) a monthly charge of \$300.00. Under either option, the customer is responsible for bearing the costs associated with any required modifications to the customer's piping.
- (F) Each supplier participating in Rider PS-TS-2 must adhere to a supplier's code of conduct that provides consumer protections similar to supplier codes of conduct contained in the tariffs of other local distribution companies in Kentucky. If a supplier fails to comply with the code of conduct, LG&E has the discretion to temporarily suspend or terminate such supplier from further participation in the program.
- (G) When LG&E issues an Operational Flow Order ("OFO"), the issuance notice will provide information related to the issuance of the OFO.

**ARTICLE III. CHANGES TO LG&E'S GAS SUPPLY CLAUSE**

**SECTION 3.1.** The Parties agree that the Commission should approve LG&E's proposed change to its Gas Supply Clause except:

- (A) With respect to LG&E's gas tariff, P.S.C. Gas No. 9, Original Sheet No. 85.1, LG&E will remove its proposed text changes to the definition of the Gas Cost Balancing Adjustment (GCBA).



- (B) With respect to LG&E’s gas tariff, P.S.C. Gas No. 9, Original Sheet No. 85.1, LG&E will revise its proposed definition of the Gas Cost Actual Adjustment (GCAA) to be, “(GCAA) is the Gas Cost Actual Adjustment per 100 cubic feet which compensates for differences between the previous three-month period’s expected gas cost and the actual cost of gas during that three month period, plus net uncollectible gas cost portion of bad debt.”
- (C) With respect to LG&E’s gas tariff, P.S.C. Gas No. 9, Original Sheet No. 85.2, LG&E will remove its proposed paragraph beginning, “Company may file at least twenty (20) days prior ....”

**ARTICLE IV. TREATMENT OF CERTAIN SPECIFIC ISSUES**

**SECTION 4.1. Low-Income Customer Support.** In addition to the shareholder contribution commitments the Utilities have already made in previous cases, the Utilities commit to contribute an additional \$187,500 of shareholder funds per year per Utility. KU shall make its additional \$187,500 annual shareholder contribution to the Home Energy Assistance program, which CAC administers. LG&E shall make its additional \$187,500 annual shareholder contribution to ACM for utility assistance. The total of these shareholder contribution commitments for LG&E and KU is one million dollars per year beginning in 2013.

- (A) The Utilities’ total shareholder contribution level for 2013, including the additional \$187,500 in each of the Utilities’ service territories addressed

above, will continue until the effective date of new base rates for the Utilities.

(i) The total annual shareholder contribution from KU shall be as follows: \$100,000 for Wintercare, \$307,500 for HEA (\$120,000 is KU's existing commitment, \$187,500 is KU's additional commitment). CAC administers both programs.

(ii) The total annual shareholder contribution from LG&E shall be as follows: \$412,500 to ACM for utility assistance (\$225,000 is LG&E's existing commitment, \$187,500 is LG&E's additional commitment), \$180,000 for HEA.

(B) LG&E agrees that up to 5% of its total contributions to ACM may be used for reasonable administrative expenses.

(C) None of the Utilities' shareholder contributions will be conditioned upon receiving matching funds from other sources.

**SECTION 4.2. Bill Due Date.** Payment for a customer's bill shall be due to the appropriate Utility sixteen business days, i.e., at least 22 calendar days, after the date on which the Utility issues the bill. The Utilities will issue bills only on business days.

**SECTION 4.3. Home Energy Assistance Charges.** The Utilities will increase the monthly residential meter charge (for gas and electric meters) for the Home Energy Assistance ("HEA") program from the current \$0.16 per meter to \$0.25 per meter, which increase shall remain effective until the effective date of new base rates for the Utilities.

**SECTION 4.4. HEA Subsidy Amount Administered by CAC in the KU**

**Service Territory.** In the KU service territory, the HEA subsidy benefit will be a direct subsidy amount during peak cooling and heating months. The monthly benefit may be up to \$88 per applicable month, and may not exceed \$616 per year.

**SECTION 4.5. Purchase of Certain Customer-Owned Gas Service Entrances**

**and Risers.** LG&E will reimburse its gas customers who have replaced their service entrances or gas risers (or both) between January 1, 2011 and December 31, 2012. Customers must notify LG&E if they desire such reimbursement; LG&E will have no obligation to seek out such customers, though LG&E will post on its website a notice of the availability of reimbursement. The reimbursement will be in the amount of the customers' reasonable costs of replacing such service entrances or gas risers (or both), which must be demonstrated to LG&E's reasonable satisfaction. Customers disputing the amount of reimbursement may contact the Commission. LG&E will reimburse only owners of affected properties, each of whom must have owned the affected property at the time of the replacement of the service entrance or gas riser. LG&E will capitalize the amounts paid to such customers, and will recover such amounts through the Gas Line Tracker mechanism.

**SECTION 4.6. Demand-Side Management Program Proposal.**

The Utilities commit to propose a two-year demand-side management program to help fund energy management programs for schools affected by KRS 160.325. The annual levels of funding to be proposed are \$500,000 for KU and \$225,000 for LG&E.

With input from KSBA and other stakeholders, the Utilities commit to file an application with the Commission no later than February 28, 2013, seeking approval of such a program by May 31, 2013.

**SECTION 4.7. Regulatory Asset and Amortizations.** The regulatory assets and associated amortizations proposed in the Utilities' applications (e.g., rate case expense, 2011 Windstorm, Commission management audit expenses, MISO exit, swap termination) are approved beginning January 2013.

**SECTION 4.8.** The Parties agree that, except as modified in this Settlement Agreement and the exhibits attached hereto, the rates, terms, and conditions contained in the Utilities' filings in these Rate Proceedings shall be approved as filed.

**ARTICLE V. MISCELLANEOUS PROVISIONS**

**SECTION 5.1.** Except as specifically stated otherwise in this Settlement Agreement, entering into this Settlement Agreement shall not be deemed in any respect to constitute an admission by any of the Parties that any computation, formula, allegation, assertion or contention made by any other party in these Rate Proceedings is true or valid.

**SECTION 5.2.** The Parties hereto agree that the foregoing stipulations and agreements represent a fair, just, and reasonable resolution of the issues addressed herein and request the Commission to approve the Settlement Agreement.

**SECTION 5.3.** Following the execution of this Settlement Agreement, the Parties shall cause the Settlement Agreement to be filed with the Commission on November 19, 2012, together with a request to the Commission for consideration

and approval of this Settlement Agreement for rates to become effective on January 1, 2013.

**SECTION 5.4.** Each of the Parties waives all cross-examination of the other Parties' witnesses unless the Commission disapproves this Settlement Agreement, and each party further stipulates and recommends that the Notice of Intent, Notice, Application, testimony, pleadings, and responses to data requests filed in the Rate Proceedings be admitted into the record. The Parties stipulate that after the date of this Settlement Agreement they will not otherwise contest the Utilities' proposals, as modified by this Settlement Agreement, in the hearing of the Rate Proceedings regarding the subject matter of the Settlement Agreement, and that they will refrain from cross-examination of the Utilities' witnesses during the hearing, except insofar as such cross-examination is in support of the Settlement Agreement.

**SECTION 5.5.** This Settlement Agreement is subject to the acceptance of and approval by the Commission. The Parties agree to act in good faith and to use their best efforts to recommend to the Commission that this Settlement Agreement be accepted and approved.

**SECTION 5.6.** If the Commission issues an order adopting this Settlement Agreement in its entirety, each of the Parties agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin Circuit Court with respect to such order.

**SECTION 5.7.** If the Commission does not accept and approve this Settlement Agreement in its entirety, then: (a) this Settlement Agreement shall be void and

withdrawn by the Parties from further consideration by the Commission and none of the Parties shall be bound by any of the provisions herein, provided that none of the Parties is precluded from advocating any position contained in this Settlement Agreement; and (b) neither the terms of this Settlement Agreement nor any matters raised during the settlement negotiations shall be binding on any of the Parties or be construed against any of the Parties.

**SECTION 5.8.** If the Settlement Agreement is voided or vacated for any reason after the Commission has approved the Settlement Agreement, none of the Parties will be bound by the Settlement Agreement.

**SECTION 5.9.** The Settlement Agreement shall in no way be deemed to divest the Commission of jurisdiction under Chapter 278 of the Kentucky Revised Statutes.

**SECTION 5.10.** The Settlement Agreement shall inure to the benefit of and be binding upon the Parties hereto, their successors and assigns.

**SECTION 5.11.** The Settlement Agreement constitutes the complete agreement and understanding among the Parties, and any and all oral statements, representations or agreements made prior hereto or contained contemporaneously herewith shall be null and void and shall be deemed to have been merged into the Settlement Agreement.

**SECTION 5.12.** The Parties hereto agree that, for the purpose of the Settlement Agreement only, the terms are based upon the independent analysis of the Parties to reflect a fair, just, and reasonable resolution of the issues herein and are the product of compromise and negotiation.

**SECTION 5.13.** The Parties hereto agree that neither the Settlement Agreement nor any of the terms shall be admissible in any court or commission except insofar as such court or commission is addressing litigation arising out of the implementation of the terms herein or the approval of this Settlement Agreement. This Settlement Agreement shall not have any precedential value in this or any other jurisdiction.

**SECTION 5.14.** The signatories hereto warrant that they have appropriately informed, advised, and consulted their respective Parties in regard to the contents and significance of this Settlement Agreement and based upon the foregoing are authorized to execute this Settlement Agreement on behalf of their respective Parties.

**SECTION 5.15.** The Parties hereto agree that this Settlement Agreement is a product of negotiation among all Parties hereto, and no provision of this Settlement Agreement shall be strictly construed in favor of or against any party. Notwithstanding anything contained in the Settlement Agreement, the Parties recognize and agree that the effects, if any, of any future events upon the operating income of the Utilities are unknown and this Settlement Agreement shall be implemented as written.

**SECTION 5.16.** The Parties hereto agree that this Settlement Agreement may be executed in multiple counterparts.

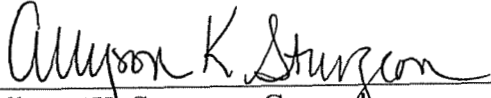
**IN WITNESS WHEREOF**, the Parties have hereunto affixed their signatures.

Kentucky Utilities Company and  
Louisville Gas and Electric Company

HAVE SEEN AND AGREED:

By:   
Kendrick R. Riggs, Counsel

-and-


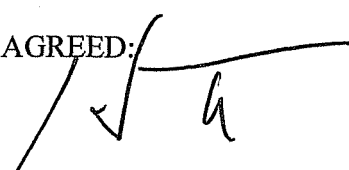
By:   
Allyson K. Sturgeon, Counsel



Attorney General for the Commonwealth of  
Kentucky, by and through the Office of Rate  
Intervention

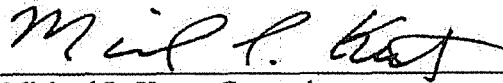
HAVE SEEN AND AGREED:

By:

  
  
Dennis G. Howard, II, Assistant Director  
Lawrence W. Cook, Asst Attorney General

Kentucky Industrial Utility Customers, Inc.

HAVE SEEN AND AGREED:

By: 

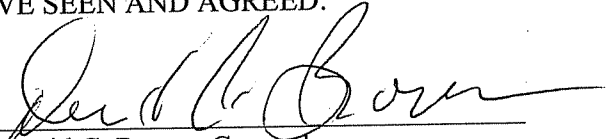
Michael L. Kurtz, Counsel

Kurt J. Boehm, Counsel

Jody M. Kyler, Counsel

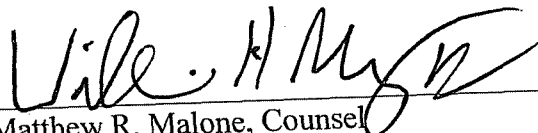
The Kroger Co.

HAVE SEEN AND AGREED:

By:   
David C. Brown, Counsel

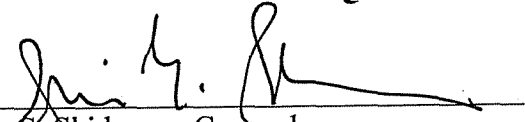
Kentucky School Boards Association

HAVE SEEN AND AGREED:

By:   
Matthew R. Malone, Counsel  
William H. May, II, Counsel

Community Action Council for  
Lexington-Fayette, Bourbon, Harrison  
and Nicholas Counties, Inc.

HAVE SEEN AND AGREED:

By:   
Iris G. Skidmore, Counsel

Lexington-Fayette Urban County Government  
HAVE SEEN AND AGREED:

By: David J. Barberie  
David J. Barberie, Managing Attorney  
(contingent upon ratification by the Urban County  
Council)

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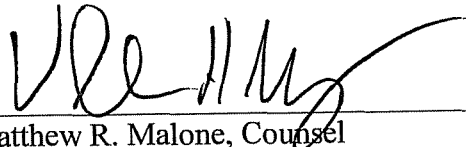
Association of Community Ministries, Inc.

HAVE SEEN AND AGREED:

By: *Lisa Kil Kelly*  
Lisa Kil Kelly, Counsel  
Eileen Ordovery, Counsel

Hess Corporation

HAVE SEEN AND AGREED:

By:   
Matthew R. Malone, Counsel  
William H. May, II, Counsel



Stand Energy Corporation

HAVE SEEN AND AGREED:

By: Patrick R. Hughes  
Patrick R. Hughes, Counsel *By: Rme*

# **Settlement Agreement Exhibit 1**

## **KU Rate Allocation**

**Kentucky Utilities Company**  
**Summary of Settlement Increase**  
**Based On Sales for the Twelve Months Ended March 31, 2012**

	Adjusted Billings Including All ECR Revenue at Current Rates	Increase	Percentage Increase
Residential Rate - RS	\$ 465,594,910	\$ 26,050,168	5.60%
General Service Rate - GS	\$ 182,298,333	\$ 7,101,359	3.90%
All Electric School Service Rate - AES	\$ 10,931,146	\$ 426,909	3.91%
Power Service Rate			
Power Service Rate PS - Secondary	\$ 223,165,130	\$ 4,491,051	2.01%
Power Service Rate PS - Primary	\$ 47,215,575	\$ 1,754,766	3.72%
	\$ 270,380,705	6,245,817	2.31%
Time of Day Secondary Service TODS	\$ 28,930,923	1,144,138	3.95%
Time of Day Primary Service TODP	\$ 186,982,312	\$ 7,256,272	3.88%
Retail Transmission Service -- RTS	\$ 78,952,085	\$ 3,061,915	3.88%
Fluctuating Load Service FLS	\$ 22,679,564	\$ 888,298	3.92%
Curtable Service Riders - CSR10	\$ (11,139,629)	\$ -	
Curtable Service Riders - CSR30	\$ -	\$ -	
Total Curtable Service Riders	\$ (11,139,629)	-	
Lighting Energy -- LE	\$ 2,289	\$ 89	3.89%
Traffic Lighting Energy -- TE	\$ 118,323	\$ 4,597	3.89%
Dark Sky Lighting - DSK			
Street Lighting - SL			
Private Outdoor Lighting - POL			
Outdoor and Street Lighting, LS and RLS	\$ 23,442,657	\$ 912,361	3.89%
<b>TOTAL ULTIMATE CONSUMERS</b>	<b>\$ 1,259,173,618</b>	<b>\$ 53,091,923</b>	<b>4.22%</b>
Late Payment Charges	\$ 6,910,624	\$ (2,981,114) (1)	
Electric Service Revenues	\$ 2,206,637		
Rent from Electric Property	\$ 2,153,990	\$ 634,401 (2)	
Other Miscellaneous Electric Revenue	\$ 181,175	\$ 247,419	
<b>TOTAL JURISDICTIONAL</b>	<b>\$ 1,270,626,044</b>	<b>\$ 50,992,629</b>	<b>4.01%</b>

(1) Revised LPC 5% - 3%

(2) Revised CATV charge for ROE

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>RESIDENTIAL RATE RS, inclusive of Volunteer Fire Department customers</b>						
Basic Service Charges	5,044,089		\$ 8.50	\$ 42,874,757	\$ 10.75	\$ 54,223,957
All Energy		5,944,626,245	\$ 0.06987	\$ 415,351,037	\$ 0.07235	\$ 430,093,709
Prorated and corrected basic service charge billings				\$ (217,347)		\$ (217,347)
Prorated and corrected energy billings				\$ (2,982)		\$ (3,152)
Low Emission Vehicle Rate						
Basic Service Charges	-		\$ 8.50	\$ -	\$ 10.75	\$ -
Energy, Period 1			- \$ 0.04904	\$ -	\$ 0.05078	\$ -
Energy, Period 2			- \$ 0.07005	\$ -	\$ 0.07254	\$ -
Energy, Period 3			- \$ 0.13315	\$ -	\$ 0.13788	\$ -
				<b>\$ 458,005,465</b>		<b>\$ 484,097,167</b>
				Correction Factor		<u>1.000000000</u>
				<b>Total After Application of Correction Factor</b>		<b>\$ 484,097,167</b>
Fuel Clause Billings - proforma for rollin				\$ 4,705,954		4,705,954
Adjustment to Reflect Year-End Customers				(710,225)		(750,685)
Adjustment to Reflect Customers Moving To Rate				24,287		
Customer-Months Moving To Rate	618				\$ 10.75	6,644
Energy Usage by Customers Moving to Rate		273,592	443		\$ 0.07235	19,794
Adjustment to Reflect Customers Moving From Rate				(55,178)		
Customer-Months Moving From Rate	(533)				\$ 10.75	(5,730)
Energy Usage by Customers Moving From Rate		(728,030)	1,366		\$ 0.07235	(52,673)
Adjustment to Reflect Removal of Base ECR Revenues				(56,592,842)		(1,783,388)
Adjustment to Reflect Elimination of ECR Plans				54,809,454		-
				<b>\$ 460,186,915</b>		<b>\$ 486,237,083</b>
ECR Base Revenues				\$ 1,783,388		\$ 1,783,388
ECR Billings - proforma for rollin				\$ 3,624,607		\$ 3,624,607
				<b>\$ 465,594,910</b>		<b>\$ 491,645,078</b>
<b>Proposed Increase</b>						<b>26,050,168</b>
			Percentage Increase			5.60%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>GENERAL SERVICE RATE GS</b>						
Single Phase Customer Charge	779,541		\$ 17.50	\$ 13,641,968	\$ 20.00	\$ 15,590,820
Three Phase Customer Charge	204,452		\$ 32.50	\$ 6,644,690	\$ 35.00	\$ 7,155,820
All Energy		1,943,096,458	\$ 0.08332	\$ 161,898,797	\$ 0.08575	\$ 166,620,521
Prorated and corrected basic service charge billings				\$ 3,312		\$ 3,714
Prorated and corrected energy billings				(30,309)		(31,193)
				<b>Total Calculated at Base Rates</b>		<b>\$ 189,339,682</b>
				Correction Factor		<u>1.000000000</u>
				<b>Total After Application of Correction Factor</b>		<b>\$ 189,339,682</b>
Fuel Clause Billings - proforma for rollin				\$ 1,757,425		\$ 1,757,425
Adjustment to Reflect Year-End Customers				\$ 42,721		\$ 44,405
Adjustment to Reflect Customers Moving To Rate				\$ 652,512		
Customer-Months Moving To Rate (single phase)	1,570				\$ 20.00	\$ 31,400
Energy Usage by Customers Moving to Rate		7,542,362			\$ 0.08575	\$ 646,758
Adjustment to Reflect Customers Moving From Rate				\$ (2,299,904)		
Customer-Months Moving From Rate (single phase)	(1,252)				\$ 20.00	\$ (25,040)
Energy Usage by Customers Moving From Rate		(27,488,767)			\$ 0.08575	\$ (2,357,162)
Adjustment to Reflect Customers Moving To Rate				\$ 1,683,462		
Customer-Months Moving To Rate (3 phase)	2,108				\$ 35.00	\$ 73,780
Energy Usage by Customers Moving to Rate		19,869,353			\$ 0.08575	\$ 1,703,797
Adjustment to Reflect Customers Moving From Rate				\$ (3,383,024)		
Customer-Months Moving From Rate (3 phase)	(1,199)				\$ 35.00	\$ (41,965)
Energy Usage by Customers Moving From Rate		(40,350,688)			\$ 0.08575	\$ (3,460,071)
Adjustment to Reflect Removal of Base ECR Revenues				\$ (27,494,815)		\$ (874,394)
Adjustment to Reflect Elimination of ECR Plans				\$ 26,620,421		\$ -
				<b>Total Base Revenues Net of ECR</b>		<b>\$ 186,838,615</b>
ECR Base Revenues				\$ 874,394		\$ 874,394
ECR Billings - proforma for rollin				\$ 1,686,683		\$ 1,686,683
				<b>Total Base Revenues Inclusive of ECR</b>		<b>\$ 189,399,692</b>
<b>Proposed Increase</b>						<b>7,101,359</b> 3.90%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>ALL ELECTRIC SCHOOLS RATE AES</b>						
Single Phase Customer Charge	4,564		\$ 17.50	\$ 79,870	\$ 20.00	\$ 91,280
Three Phase Customer Charge	3,131		\$ 32.50	\$ 101,759	\$ 35.00	\$ 109,585
All Energy		157,537,383	\$ 0.06670	10,507,744	\$ 0.06928	10,914,190
Prorated and corrected basic service charge billings				\$ 392		\$ 434
Prorated and corrected energy billings				(21,499)		(22,331)
				<b>Total Calculated at Base Rates</b>		<b>\$ 11,093,158</b>
				Correction Factor		<u>1.000000000</u>
				<b>Total After Application of Correction Factor</b>		<b>\$ 11,093,158</b>
Fuel Clause Billings - proforma for rollin				\$ 129,005		\$ 129,005
Adjustment to Reflect Year-End Customers				\$ 73,529		\$ 76,457
Adjustment to Reflect Customers Moving To Rate				\$ 412		
Customer-Months Moving To Rate (single phase)	3				\$ 20.00	60
Energy Usage by Customers Moving to Rate		5,414			\$ 0.06928	375
Adjustment to Reflect Customers Moving From Rate				\$ (4,727)		
Customer-Months Moving From Rate (single phase)	(20)				\$ 20.00	(400)
Energy Usage by Customers Moving From Rate		(65,871)			\$ 0.06928	(4,564)
Adjustment to Reflect Customers Moving To Rate				\$ 5,167		
Customer-Months Moving To Rate (3 phase)	2				\$ 35.00	70
Energy Usage by Customers Moving to Rate		76,800			\$ 0.06928	5,321
Adjustment to Reflect Customers Moving From Rate				\$ (21,290)		
Customer-Months Moving From Rate (3 phase)	(6)				\$ 35.00	(210)
Energy Usage by Customers Moving From Rate		(317,560)			\$ 0.06928	(22,001)
Adjustment to Reflect Removal of Base ECR Revenues				(1,328,040)		(42,535)
Adjustment to Reflect Elimination of ECR Plans				1,285,505		-
				<b>Total Base Revenues Net of ECR</b>		<b>\$ 11,234,736</b>
ECR Base Revenues				\$ 42,535		42,535
ECR Billings - proforma for rollin				\$ 80,784		\$ 80,784
				<b>Total Base Revenues Inclusive of ECR</b>		<b>\$ 11,358,055</b>
<b>Proposed Increase</b>						<b>426,909</b> 3.91%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Customer Bills	Demand kW	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>POWER SERVICE RATE PS-Secondary</b>							
Basic Service Charges	69,085			\$ 90.00	\$ 6,217,650	\$ 90.00	\$ 6,217,650
All Energy			3,069,778,185	\$ 0.03300	\$ 101,302,680	\$ 0.03340	\$ 102,530,591
Summer Demand		3,497,460		\$ 13.90	\$ 48,614,700	\$ 14.33	\$ 50,118,608
Winter Demand		4,459,854		\$ 11.65	\$ 51,957,297	\$ 12.23	\$ 54,544,012
Minimum kW and charges		958,166			\$ 12,011,703		\$ 12,500,262
Redundant Capacity Charges		2,025		\$ 0.85	\$ 1,721	\$ 1.49	\$ 3,017
Power factor adjustment charges					\$ 1,493,329		\$ 1,554,068
Prorated and corrected basic service charge billings					\$ 1,642		\$ 1,642
Prorated and corrected energy billings					\$ 14,678		\$ 14,856
Prorated and corrected demand charges					\$ (218,647)		\$ (227,540)
					<b>Total Calculated at Base Rates</b>		<b>\$ 221,396,753</b>
					Correction Factor		<b>\$ 1.000000000</b>
					<b>Total After Application of Correction Factor</b>		<b>\$ 227,257,166</b>
Fuel Clause Billings - proforma for rollin					\$ 2,893,212		\$ 2,893,212
Adjustment to Reflect Year-End Customers					\$ (1,562,556)		\$ (1,603,917)
Adjustment to Reflect Rate Switching to Rate PS-Secondary					\$ 3,990,897		
Customer-months Moving to Rate	1,722					\$ 90.00	\$ 154,980
Energy Use Moving to Rate			50,973,404			\$ 0.03340	\$ 1,702,512
Summer Demand for Customers Moving to Rate		95,095				\$ 14.33	\$ 1,362,711
Winter Demand for Customers Moving to Rate		73,247				\$ 12.23	\$ 895,811
Adjustment to Reflect Rate Switching From Rate PS-Secondary					\$ (5,344,560)		
Customer-months Moving From Rate	(3,211)					\$ 90.00	\$ (288,990)
Energy Use Moving From Rate			(57,942,151)			\$ 0.03340	\$ (1,935,268)
Summer Demand for Customers Moving From Rate		(238,106)				\$ 14.33	\$ (3,412,059)
Winter Demand for Customers Moving From Rate		(94,960)				\$ 12.23	\$ (1,161,361)
Adjustment to Reflect Removal of Base ECR Revenues					(27,054,868)		\$ (875,305)
Adjustment to Reflect Elimination of ECR Plans					\$ 26,179,563		\$ -
					<b>Total Base Revenues Net of ECR</b>		<b>\$ 220,498,441</b>
ECR Base Revenues					\$ 875,305		\$ 875,305
ECR Billings - proforma for rollin					\$ 1,791,384		\$ 1,791,384
					<b>Total Base Revenues Inclusive of ECR</b>		<b>\$ 223,165,130</b>
<b>Proposed Increase</b>							<b>4,491,051</b>
							2.01%
							Percentage Increase

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Customer Bills	Demand kW	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>POWER SERVICE RATE PS-Primary</b>							
Basic Service Charges	3,743			\$ 90.00	\$ 336,870	\$ 170.00	\$ 636,310
All Energy			802,429,053	\$ 0.03300	\$ 26,480,159	\$ 0.03338	\$ 26,785,082
Summer Demand		845,807		\$ 13.72	\$ 11,604,476	\$ 14.31	\$ 12,103,502
Winter Demand		985,114		\$ 11.45	\$ 11,279,551	\$ 12.21	\$ 12,028,237
Minimum kW and charges		35,640			\$ 1,104,290		\$ 1,164,500
Redundant Capacity Rider		51,285		\$ 0.68	\$ 34,874	\$ 1.25	\$ 64,106
Power factor adjustment charges					\$ 429,197		\$ 452,598
Prorated and corrected basic service charge billings					\$ (1,126)		\$ (2,127)
Prorated and corrected energy billings					\$ 5,659		\$ 5,724
Prorated and corrected demand charges					\$ (49,401)		\$ (52,095)
					<b>\$ 51,224,549</b>		<b>\$ 53,185,837</b>
					Correction Factor		1.000000000
					<b>\$ 51,224,549</b>		<b>\$ 53,185,837</b>
Fuel Clause Billings - proforma for rollin					\$ 759,739		\$ 759,739
Adjustment to Reflect Year-End Customers					\$ 171,787		\$ 178,364
Adjustment to Reflect Rate Switching to Rate PS-Primary					\$ 335,827		
Customer-months Moving to Rate	11					\$ 170.00	\$ 1,870
Energy Use Moving to Rate			5,497,600			\$ 0.03338	\$ 183,510
Summer Demand for Customers Moving to Rate		6,690				\$ 14.31	\$ 95,734
Winter Demand for Customers Moving to Rate		5,452				\$ 12.21	\$ 66,569
Adjustment to Reflect Rate Switching From Rate PS-Primary					\$ (5,722,036)		
Customer-months Moving to Rate	(210)					\$ 170.00	\$ (35,700)
Energy Use Moving to Rate			(84,756,887)			\$ 0.03338	\$ (2,829,185)
Summer Demand for Customers Moving From Rate		(136,239)				\$ 14.31	\$ (1,949,580)
Winter Demand for Customers Moving From Rate		(92,754)				\$ 12.21	\$ (1,132,526)
Adjustment to Reflect Removal of Base ECR Revenues					\$ (6,225,132)		\$ (201,402)
Adjustment to Reflect Elimination of ECR Plans					\$ 6,023,730		\$ -
<b>Total Base Revenues Net of ECR</b>					<b>\$ 46,568,464</b>		<b>\$ 48,323,230</b>
ECR Base Revenues					\$ 201,402		\$ 201,402
ECR Billings - proforma for rollin					\$ 445,709		\$ 445,709
<b>Total Base Revenues Inclusive of ECR</b>					<b>\$ 47,215,575</b>		<b>\$ 48,970,341</b>
<b>Proposed Increase</b>							<b>1,754,766</b>
							3.72%
							Percentage Increase



**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Customer Bills Metered kVA	Minimum Demands, kVA	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TIME OF DAY SECONDARY SERVICE RATE TODS</b>							
Basic Service Charges	1,429			\$ 200.00	\$ 285,800	\$ 200.00	\$ 285,800
All Energy			413,123,136	\$ 0.03490	14,417,998	\$ 0.03549	14,661,740
Demand Base	831,431	88,313		\$ 3.05	\$ 2,535,863	\$ 3.32	\$ 2,760,350
Demand Intermediate	831,643	4,385		\$ 2.43	\$ 2,020,892	\$ 2.65	\$ 2,203,854
Demand Peak	815,180	4,566		\$ 3.89	\$ 3,171,050	\$ 4.25	\$ 3,464,514
Minimum demand billings					\$ 297,770		\$ 324,778
Redundant Capacity Rider	36,631			\$ 0.85	\$ 31,136	\$ 1.49	\$ 54,580
Power Factor Correction Charges					\$ 121,926		\$ 132,985
Prorated and corrected basic service charge billings					\$ (1,311)		\$ (1,311)
Prorated and corrected energy billings					508		517
Prorated and corrected demand billings					\$ 8,259		\$ 9,008
					<b>\$ 22,889,891</b>		<b>\$ 23,896,815</b>
					Correction Factor		<u>1.000000000</u>
					<b>Total After Application of Correction Factor</b>		<b>\$ 23,896,815</b>
Fuel Clause Billings - proforma for rollin					\$ 3,264,159		\$ 3,264,159
Adjustment to Reflect Year-End Customers					\$ 116,378		\$ 121,498
Adjustment to Reflect Rate Switching to Rate TOD-Secondary					\$ 2,518,028		
Customer-months Moving to Rate	214					\$ 200.00	\$ 42,800
Energy Use Moving to Rate			40,279,476			\$ 0.03549	\$ 1,429,519
Base Demand for Customers Moving to Rate	115,245					\$ 3.32	\$ 382,613
Intermediate Demand for Customers Moving to Rate	115,245					\$ 2.65	\$ 305,399
Peak Demand for Customers Moving to Rate	115,245					\$ 4.25	\$ 489,791
Adjustment to Reflect Removal of Base ECR Revenues					(2,577,384)		(74,347)
Adjustment to Reflect Elimination of ECR Plans					2,503,037		-
					<b>\$ 28,714,109</b>		<b>\$ 29,858,247</b>
ECR Base Revenues					\$ 74,347		\$ 74,347
ECR Billings - proforma for rollin					\$ 142,467		\$ 142,467
					<b>\$ 28,930,923</b>		<b>\$ 30,075,061</b>
<b>Proposed Increase</b>							<b>1,144,138</b>
				Percentage Increase			3.95%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Customer Bills Metered kVA	Minimum Demands, kVA	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TIME OF DAY PRIMARY SERVICE RATE TODP</b>							
Basic Service Charges	1,831			\$ 300.00	\$ 549,300	\$ 300.00	\$ 549,300
All Energy			3,552,305,513	\$ 0.03522	\$ 125,112,200	\$ 0.03541	\$ 125,787,138
Demand Base	8,110,339	259,295		\$ 1.28	\$ 10,381,235	\$ 1.48	\$ 12,003,302
Demand Intermediate	8,049,964	49,393		\$ 2.31	\$ 18,595,416	\$ 2.53	\$ 20,366,408
Demand Peak	7,923,350	49,057		\$ 3.67	\$ 29,078,693	\$ 4.03	\$ 31,931,098
Minimum demand billings					\$ 626,034		\$ 693,381
Redundant Capacity Rider	42,074			\$ 0.68	\$ 28,610	\$ 1.25	\$ 52,593
Prorated and corrected basic service charge billings					\$ (1,200)		\$ (1,200)
Prorated and corrected energy billings					\$ 41,617		\$ 41,842
Prorated and corrected demand billings					\$ (364,548)		\$ (403,765)
					<b>\$ 184,047,357</b>		<b>\$ 191,020,097</b>
					Correction Factor		1.000000000
					<b>\$ 184,047,357</b>		<b>\$ 191,020,097</b>
Fuel Clause Billings - proforma for rollin					\$ 371,304		\$ 371,304
Adjustment to Reflect Year-End Customers					\$ (1,816,142)		\$ (1,884,948)
Adjustment to Reflect Rate Switching to Rate TOD-Primary					\$ 4,955,272		
Customer-months Moving to Rate	181					\$ 300.00	\$ 54,300
Energy Use Moving to Rate			89,104,930			\$ 0.03541	\$ 3,155,206
Base Demand for Customers Moving to Rate	254,513					\$ 1.48	\$ 376,679
Intermediate Demand for Customers Moving to Rate	254,513					\$ 2.53	\$ 643,917
Peak Demand for Customers Moving to Rate	254,513					\$ 4.03	\$ 1,025,687
Adjustment to Reflect Customers Moved to Billing Cycle 20 - see Conroy Exhibit P6					\$ (1,640,196)		
Customer-months Adjusted From Test Year Results	(2)					\$ 300.00	\$ (600)
Energy Use Adjusted From Test Year Results			(30,038,040)			\$ 0.03541	\$ (1,063,647)
Base Demand Adjusted From Test Year Results	(67,693)					\$ 1.48	\$ (100,186)
Intermediate Demand Adjusted From Test Year Results	(64,625)					\$ 2.53	\$ (163,502)
Peak Demand Adjusted From Test Year Results	(64,625)					\$ 4.03	\$ (260,440)
Adjustment to Reflect Removal of Base ECR Revenues					\$ (19,026,087)		\$ (722,510)
Adjustment to Reflect Elimination of ECR Plans					\$ 18,303,577		\$ -
<b>Total Base Revenues Net of ECR</b>					<b>\$ 185,195,086</b>		<b>\$ 192,451,357</b>
ECR Base Revenues					\$ 722,510		\$ 722,510
ECR Billings - proforma for rollin					\$ 1,064,717		\$ 1,064,717
<b>Total Base Revenues Inclusive of Base ECR</b>					<b>\$ 186,982,312</b>		<b>\$ 194,238,584</b>
<b>Proposed Increase</b>							<b>7,256,272</b>
							3.88%
							Percentage Increase

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Customer Bills Metered kVA	Minimum Demands, kVA	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>RETAIL TRANSMISSION SERVICE RATE RTS</b>							
Basic Service Charges	432			\$ 500.00	\$ 216,000	\$ 750.00	\$ 324,000
All Energy			1,608,310,112	\$ 0.03414	\$ 54,907,707	\$ 0.03410	\$ 54,843,375
Demand Base	3,742,566	96,043		\$ 0.85	\$ 3,181,181	\$ 1.12	\$ 4,191,674
Demand Intermediate	3,689,806	8,942		\$ 2.30	\$ 8,486,554	\$ 2.65	\$ 9,777,986
Demand Peak	3,647,205	8,989		\$ 3.54	\$ 12,911,106	\$ 3.75	\$ 13,677,019
Minimum Demand Billings					\$ 134,022		\$ 150,750
Prorated and corrected basic service charge billings					\$ (3,167)		\$ (4,751)
Prorated and corrected energy billings					-		-
Prorated and Corrected Demand Billings					\$ 52,641		\$ 59,211
					<b>\$ 79,886,044</b>		<b>\$ 83,019,264</b>
					Correction Factor 1.000000000		1.000000000
					<b>\$ 79,886,044</b>		<b>\$ 83,019,264</b>
Fuel Clause Billings - proforma for rollin					\$ 1,400,173		\$ 1,400,173
Adjustment to Reflect Year-End Customers					\$ 166,983		\$ 173,532
Adjustment to Reflect Customers Moving From Rate RTS					\$ (116,695)		\$ (116,695)
Customer-months Moving From Rate	(1)					\$ 750.00	\$ (750)
Energy Use Moving From Rate			(1,973,830)			\$ 0.03410	\$ (67,308)
Base Demand for Customers Moving From Rate	(4,335)					\$ 1.12	\$ (4,855)
Intermediate Demand for Customers Moving From Rate	(4,335)					\$ 2.65	\$ (11,487)
Peak Demand for Customers Moving From Rate	(4,335)					\$ 3.75	\$ (16,255)
Adjustment to Reflect Customers Moved to Billing Cycle 20					\$ (2,832,550)		\$ (2,250)
Customer-months Adjusted From Test Year Results	(3)					\$ 750.00	\$ (2,250)
Energy Use Adjusted From Test Year Results			(58,030,000)			\$ 0.03410	\$ (1,978,823)
Base Demand Adjusted From Test Year Results	(110,508)					\$ 1.12	\$ (123,769)
Intermediate Demand Adjusted From Test Year Results	(110,203)					\$ 2.65	\$ (292,037)
Peak Demand Adjusted From Test Year Results	(110,099)					\$ 3.75	\$ (412,870)
Adjustment to Reflect Removal of Base ECR Revenues					\$ (7,866,500)		\$ (221,591)
Adjustment to Reflect Elimination of ECR Plans					\$ 7,644,909		\$ -
					<b>\$ 78,282,364</b>		<b>\$ 81,344,279</b>
ECR Base Revenues					\$ 221,591		\$ 221,591
ECR Billings - proforma for rollin					\$ 448,130		\$ 448,130
					<b>\$ 78,952,085</b>		<b>\$ 82,014,000</b>
<b>Proposed Increase</b>							<b>3,061,915</b>
				Percentage Increase			3.88%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Customer Bills Metered kVA	Minimum Demands, kVA	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>FLUCTUATING LOAD SERVICE RATE FLS</b>							
<b>Primary Delivery</b>							
	Basic Service Charges	-		\$ 500.00	\$ -	\$ 750.00	\$ -
	All Energy		-	\$ 0.03419	\$ -	\$ 0.03419	\$ -
	Demand Base (5-minute kVa)	-		\$ 1.57	\$ -	\$ 1.70	\$ -
	Demand Intermediate (5-minute kVa)	-		\$ 1.41	\$ -	\$ 1.42	\$ -
	Demand Peak (5-minute kVa)	-		\$ 2.30	\$ -	\$ 2.31	\$ -
<b>Transmission Delivery</b>							
	Basic Service Charges	12		\$ 500.00	\$ 6,000	\$ 750.00	\$ 9,000
	All Energy		546,287,246	\$ 0.02947	\$ 16,099,085	\$ 0.03037	\$ 16,590,744
	Demand Base (5-minute kVa)	2,347,234		\$ 0.82	\$ 1,924,732	\$ 0.95	\$ 2,229,872
	Demand Intermediate (5-minute kVa)	2,304,105		\$ 1.41	\$ 3,248,788	\$ 1.42	\$ 3,271,829
	Demand Peak (5-minute kVa)	1,227,450		\$ 2.30	\$ 2,823,135	\$ 2.31	\$ 2,835,410
	Prorated and corrected basic service charge billings				\$ 500		\$ -
					<b>\$ 24,102,240</b>		<b>\$ 24,936,855</b>
					Correction Factor		<u>1.000000000</u>
					<b>\$ 24,102,240</b>		<b>\$ 24,936,855</b>
					Fuel Clause Billings - proforma for rollin		\$ 475,259
					Adjustment to Reflect Year-End Customers		\$ -
					Adjustment to Reflect Customers Moved to Billing Cycle 20		\$ (2,008,648)
						Customer-months Adjusted From Test Year Results	\$ 750.00
						Energy Use Adjusted From Test Year Results	\$ 0.03037
			(43,416,000)			Base Demand Adjusted From Test Year Results	\$ 0.95
		(177,320)				Intermediate Demand Adjusted From Test Year Results	\$ 1.42
		(177,320)				Peak Demand Adjusted From Test Year Results	\$ 2.31
		(93,581)					\$ (216,173)
					Adjustment to Reflect Removal of Base ECR Revenues		\$ (2,469,091)
					Adjustment to Reflect Elimination of ECR Plans		\$ 2,410,303
					<b>\$ 22,510,063</b>		<b>\$ 23,398,361</b>
					ECR Base Revenues		\$ 58,788
					ECR Billings - proforma for rollin		\$ 110,713
					<b>\$ 22,679,564</b>		<b>\$ 23,567,862</b>
							<b>\$ 888,298</b>
							3.92%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>LIGHTING ENERGY SERVICE RATE LE</b>						
Basic Service Charges	11		\$ -	\$ -	\$ -	\$ -
All Energy		40,050	\$ 0.05647	\$ 2,262	\$ 0.05871	\$ 2,351
Prorated and corrected energy billings				(7)		(7)
				<b>Total Calculated at Base Rates</b>		<b>\$ 2,344</b>
				Correction Factor		<u>1.000000000</u>
				<b>Total After Application of Correction Factor</b>		<b>\$ 2,344</b>
Fuel Clause Billings - proforma for rollin				\$ 27		\$ 27
Adjustment to Reflect Year-End Customers				\$ -		\$ -
Adjustment to Reflect Removal of Base ECR Revenues				\$ (381)		\$ (119)
Adjustment to Reflect Elimination of ECR Plans				\$ 262		\$ -
				<b>Total Base Revenues Net of ECR</b>		<b>\$ 2,252</b>
ECR Base Revenues				\$ 119		\$ 119
ECR Billings - proforma for rollin				\$ 7		\$ 7
				<b>Total Base Revenues Inclusive of Base ECR</b>		<b>\$ 2,378</b>
<b>Proposed Increase</b>						<b>89</b>
			Percentage Increase			3.89%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total kWh	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TRAFFIC ENERGY SERVICE RATE TE</b>						
Basic Service Charges	8,086		\$ 3.14	\$ 25,390	\$ 3.25	\$ 26,280
All Energy		1,118,667	\$ 0.07182	\$ 80,343	\$ 0.07469	\$ 83,553
Prorated and corrected basic service charge billings				\$ (65)		\$ (67)
Prorated and corrected energy billings				\$ (103)		\$ (107)
				<b>\$ 105,565</b>		<b>\$ 109,659</b>
				Correction Factor <u>1.000000000</u>		<u>1.000000000</u>
				<b>\$ 105,565</b>		<b>\$ 109,659</b>
Fuel Clause Billings - proforma for rollin				\$ 938		\$ 938
Adjustment to Reflect Year-End Customers				\$ 11,068		\$ 11,497
Adjustment to Reflect Customers Moving To Rate TE				\$ 70		\$ 70
Customer-months Moving To Rate	3				\$ 3.25	\$ 10
Energy Use Moving To Rate		853			\$ 0.07469	\$ 64
Adjustment to Reflect Removal of Base ECR Revenues				\$ (10,650)		\$ (3,334)
Adjustment to Reflect Elimination of ECR Plans				\$ 7,316		\$ -
<b>Total Base Revenues Net of ECR</b>				<b>\$ 114,307</b>		<b>\$ 118,904</b>
ECR Base Revenues				\$ 3,334		\$ 3,334
ECR Billings - proforma for rollin				\$ 682		\$ 682
<b>Total Base Revenues Inclusive of Base ECR</b>				<b>\$ 118,323</b>		<b>\$ 122,920</b>
<b>Proposed Increase</b>						<b>4,597</b>
			Percentage Increase			3.89%

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>LIGHTING SERVICE -- PROPOSED RATE SHEET No. 35</b>									
<b>Overhead</b>									
<b>High Pressure Sodium</b>									
<b>Cobra Head, 5800 Lumen, Standard</b>									
5,800 Lumen HPS Std RC-462	St.Lt. 35	462	105,260	\$ 7.90	\$ 831,554	462	105,260	\$ 8.21	\$ 864,185
<b>Cobra Head, 5800 Lumen, Ornamental</b>									
5,800 Lumen HPS Ormtl	St.Lt. 35	472	103,056	\$ 10.73	\$ 1,105,791	472	103,056	\$ 11.15	\$ 1,149,074
<b>Cobra Head, 9500 Lumen, Standard</b>									
9,500 Lumen HPS Std	St.Lt. 35	463	242,538	\$ 8.41	\$ 2,039,745	463	242,538	\$ 8.74	\$ 2,119,782
<b>Cobra Head, 9500 Lumen, Ornamental</b>									
9,500 Lumen HPS Ormtl RC-473	St.Lt. 35	473	38,154	\$ 11.45	\$ 436,863	473	38,154	\$ 11.90	\$ 454,033
<b>Cobra Head, 22000 Lumen, Standard</b>									
22,000 Lumen HPS Std	St.Lt. 35	464	70,265	\$ 13.04	\$ 916,256				
22,000L Cobra Head HPS Std	P.O.L. 36	429	18,692	\$ 13.04	\$ 243,744				
<b>Cobra Head, 22000 Lumen, Ornamental</b>									
22,000 Lumen HPS Ormtl RC-474	St.Lt. 35	474	59,607	\$ 16.08	\$ 958,481	474	59,607	\$ 16.71	\$ 996,033
<b>Cobra Head, 50000 Lumen, Standard</b>									
50,000 Lumen HPS Std	St.Lt. 35	465	10,551	\$ 20.95	\$ 221,043	465	34,927	\$ 21.78	\$ 760,710
50,000L Cobra Head HPS Std RC-407	P.O.L. 36	407	24,376	\$ 20.95	\$ 510,677				
<b>Cobra Head, 50000 Lumen, Ornamental</b>									
50,000 Lumen HPS Ormtl RC-475	St.Lt. 35	475	5,692	\$ 22.51	\$ 128,127	475	5,692	\$ 23.40	\$ 133,193
<b>Directional, 9500 Lumen, Standard</b>									
9,500L Directional HPS RC-487	P.O.L. 36	487	129,370	\$ 8.27	\$ 1,069,890	487	129,370	\$ 8.60	\$ 1,112,582
<b>Directional, 22000 Lumen, Standard</b>									
22,000L Directional HPS RC-488	P.O.L. 36	488	77,504	\$ 12.45	\$ 964,925	488	77,504	\$ 12.94	\$ 1,002,902
<b>Directional, 50000 Lumen, Standard</b>									
50,000L Directional HPS RC-489	P.O.L. 36	489	95,361	\$ 17.70	\$ 1,687,890	489	95,361	\$ 18.40	\$ 1,754,642
<b>Open Bottom, 9500 Lumen, Standard</b>									
9,500L Open Bottom HPS Std RC-428	P.O.L. 36	428	427,622	\$ 7.16	\$ 3,061,774	428	427,622	\$ 7.44	\$ 3,181,508
<b>Metal Halide</b>									
<b>Directional, 12000 Lumen, Standard</b>									
12,000L Fixture Only Dir-MH RC-450	P.O.L. 36.3	450	7,229	\$ 13.04	\$ 94,266	450	7,229	\$ 13.55	\$ 97,953
<b>Directional, 32000 Lumen, Standard</b>									
32,000L Fixture Only Dir-MH RC-451	P.O.L. 36.3	451	55,410	\$ 18.45	\$ 1,022,315	451	55,410	\$ 19.18	\$ 1,062,764
<b>Directional, 107800 Lumen, Standard</b>									
107,800L Fixture Only Dir-MH	P.O.L. 36.3	452	12,447	\$ 38.48	\$ 478,961	452	12,447	\$ 40.00	\$ 497,880

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>LIGHTING SERVICE, CONTINUED</b>									
<b>Underground</b>									
<b>High Pressure Sodium</b>									
<b>Colonial, 5800 Lumen, Decorative</b>									
5,800L Colonial HPS UG RC-467	St.Lt. 35.1	467	13,508	\$ 9.93	\$ 134,134	467	15,454	\$ 10.32	\$ 159,485
5,800L Colonial Decor UG RC-481	P.O.L. 36.1	481	1,946	\$ 9.93	\$ 19,324				
<b>Colonial, 9500 Lumen, Decorative</b>									
9,500L Colonial HPS UG RC-468	St.Lt. 35.1	468	23,395	\$ 10.35	\$ 242,138	468	44,225	\$ 10.76	\$ 475,861
9,500L Colonial Decor UG RC-482	P.O.L. 36.1	482	20,830	\$ 10.35	\$ 215,591				
<b>Acorn, 5800 Lumen, Smooth Pole</b>									
5,800L Acorn (D Pole) HPS UG	St.Lt. 35.1	401	420	\$ 13.86	\$ 5,821	401	624	\$ 14.41	\$ 8,992
5,800L Acorn (Decorative Pole) UG RC-441	P.O.L. 36.1	441	204	\$ 13.86	\$ 2,827				
<b>Acorn, 5800 Lumen, Fluted Pole</b>									
5,800L Acorn (Hist Pole) HPS UG	St.Lt. 35.1	411	864	\$ 20.14	\$ 17,401	411	1,752	\$ 20.93	\$ 36,669
5,800L Acorn (Historic Pole) UG RC-445	P.O.L. 36.1	445	888	\$ 20.14	\$ 17,884				
<b>Acorn, 9500 Lumen, Smooth Pole</b>									
9,500L Acorn (D Pole) HPS UG RC-420	St.Lt. 35.1	420	2,275	\$ 14.39	\$ 32,737	420	4,993	\$ 14.96	\$ 74,695
9,500L Acorn (Decorative Pole) UG RC-442	P.O.L. 36.1	442	2,718	\$ 14.39	\$ 39,112				
<b>Acorn, 9500 Lumen, Fluted Pole</b>									
9,500L Acorn (Hist Pole) HPS UG	St.Lt. 35.1	430	5,292	\$ 20.78	\$ 109,968	430	12,932	\$ 21.60	\$ 279,331
9,500L Acorn (Historic Pole) UG RC-449	P.O.L. 36.1	449	7,640	\$ 20.78	\$ 158,759				
<b>Victorian, 5800 Lumen, Fluted Pole</b>									
5,800L Coach HPS UG	P.O.L. 36.1	414	252	\$ 29.24	\$ 7,368	414	252	\$ 30.39	\$ 7,658
<b>Victorian, 9500 Lumen, Fluted Pole</b>									
9,500L Coach HPS UG RC-415	P.O.L. 36.1	415	120	\$ 29.65	\$ 3,558	415	120	\$ 30.82	\$ 3,698
<b>Contemporary Fixture and Pole, 5800 Lumen, Second Fixture</b>									
5,800L UG HPS Contemporary Fixture Only	P.O.L. 36.1	492	6	\$ 14.35	\$ 86	492	6	\$ 14.92	\$ 90
<b>Contemporary Fixture and Pole, 5800 Lumen</b>									
5,800L Contemporary HPS UG RC-476	St.Lt. 35.1	476	54,099	\$ 15.66	\$ 847,190	476	54,631	\$ 16.34	\$ 892,671
5,800L UG HPS Contemporary	P.O.L. 36.1	483	532	\$ 21.81	\$ 11,603				
<b>Contemporary Fixture and Pole, 9500 Lumen, Second Fixture</b>									
9,500L Contemp Decor UG Fixture Only	P.O.L. 36.1	497	-	\$ 14.38	\$ -	497	-	\$ 14.95	\$ -
<b>Contemporary Fixture and Pole, 9500 Lumen</b>									
9,500L Contemporary HPS UG RC-477	St.Lt. 35.1	477	6,688	\$ 18.19	\$ 121,655	477	11,878	\$ 20.57	\$ 244,330
9,500L Contemp Decor UG RC-484	P.O.L. 36.1	484	5,190	\$ 21.85	\$ 113,402				
<b>Contemporary Fixture and Pole, 22000 Lumen, Second Fixture</b>									
22,000L UG HPS Contemporary (Add Fixtur	P.O.L. 36.1	498	78	\$ 16.37	\$ 1,277	498	78	\$ 17.02	\$ 1,328
<b>Contemporary Fixture and Pole, 22000 Lumen</b>									
22,000L Contemporary HPS UG RC-478	St.Lt. 35.1	478	7,666	\$ 22.11	\$ 169,495	478	16,443	\$ 26.16	\$ 430,149
22,000L Contemp Decor UG RC-485	P.O.L. 36.1	485	8,777	\$ 27.84	\$ 244,352				
<b>Contemporary Fixture and Pole, 50000 Lumen, Second Fixture</b>									
50,000L Contemp Decor UG Fixture Only	P.O.L. 36.1	499	21	\$ 19.65	\$ 413	499	21	\$ 20.43	\$ 429
<b>Contemporary Fixture and Pole, 50000 Lumen</b>									
50,000L Contemporary HPS UG RC-479	St.Lt. 35.1	479	1,012	\$ 28.13	\$ 28,468	479	11,124	\$ 32.06	\$ 356,635
50,000L Contemp Decor UG RC-486	P.O.L. 36.1	486	10,112	\$ 31.12	\$ 314,685				



**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>LIGHTING SERVICE CONTINUED</b>									
<b>Dark Sky, 4000 Lumen</b>						300	4	\$ 22.15	\$ 89
4,000L HPS DSK Lantern	DSK 39	300	4	\$ 21.31	\$ 85				
<b>Dark Sky, 9500 Lumen</b>						301	-	\$ 23.10	\$ -
9,500L HPS DSK Lantern	DSK 39	301	-	\$ 22.22	\$ -				
<b>Granville Lights</b>									
<b>Pole and Fixture</b>						360	4,732	\$ 53.01	\$ 250,843
Pole and Fixture	St.Lt. 35.1	360	4,644	\$ 51.00	\$ 236,844				
	P.O.L. 36.2		88	\$ 51.00	\$ 4,488				
<b>Granville Accessories</b>									
Single Crossarm Bracket	St.Lt. 35.1		-	\$ 17.78	\$ -		eliminated		
Twin Crossarm Bracket (includes 1 fixtu	St.Lt. 35.1		370	\$ 19.79	\$ 7,322		370	\$ 20.57	\$ 7,611
24 Inch Banner Arm	St.Lt. 35.1		288	\$ 3.09	\$ 890		288	\$ 3.21	\$ 924
24 Inch Clamp Banner Arm	St.Lt. 35.1		1,224	\$ 4.26	\$ 5,214		1,224	\$ 4.43	\$ 5,422
18 Inch Banner Arm	St.Lt. 35.1		1,248	\$ 2.84	\$ 3,544		1,248	\$ 2.95	\$ 3,682
18 Inch Clamp On Banner Arm	St.Lt. 35.1		-	\$ 3.52	\$ -		-	\$ 3.66	\$ -
Flagpole Holder	St.Lt. 35.1		432	\$ 1.31	\$ 566		432	\$ 1.36	\$ 588
Post-Mounted Receptacle	St.Lt. 35.1		684	\$ 18.46	\$ 12,627		684	\$ 19.19	\$ 13,126
Base-Mounted Receptacle	St.Lt. 35.1		-	\$ 17.81	\$ -		eliminated		
Additional Receptacles	St.Lt. 35.1		-	\$ 2.52	\$ -		-	\$ 2.62	\$ -
Planter	St.Lt. 35.1		648	\$ 4.28	\$ 2,773		648	\$ 4.45	\$ 2,884
Clamp On Planter	St.Lt. 35.1		-	\$ 4.75	\$ -		-	\$ 4.94	\$ -
<b>Metal Halide</b>									
<b>Contemporary, 12000 Lumen, Fixture Only</b>						490	696	\$ 14.77	\$ 10,280
12,000L Fixture Only Cont-MH RC-490	P.O.L. 36.3	490	696	\$ 14.21	\$ 9,890				
<b>Contemporary, 12000 Lumen, Fixture with Smooth Pole</b>						494	2,573	\$ 27.67	\$ 71,195
12,000L Fix With M Pole Cont-MH	P.O.L. 36.3	494	2,573	\$ 26.62	\$ 68,493				
<b>Contemporary, 32000 Lumen, Fixture Only</b>						491	3,552	\$ 20.91	\$ 74,272
32,000L Fixture Only Cont-MH RC-491	P.O.L. 36.3	491	3,552	\$ 20.12	\$ 71,466				
<b>Contemporary, 32000 Lumen, Fixture with Smooth Pole</b>						495	7,131	\$ 33.81	\$ 241,099
32,000L Fix with M Pole Cont-MH RC-495	P.O.L. 36.3	495	7,131	\$ 32.53	\$ 231,971				
<b>Contemporary, 107800 Lumen, Fixture Only</b>						493	588	\$ 43.35	\$ 25,490
107,800L Fixture Only Cont-MH RC-493	P.O.L. 36.3	493	588	\$ 41.70	\$ 24,520				
<b>Contemporary, 107800 Lumen, Fixture with Smooth Pole</b>						496	1,969	\$ 56.24	\$ 110,737
107,800L Fix With M Pole Cont-MH	P.O.L. 36.3	496	1,969	\$ 54.11	\$ 106,543				

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>RESTRICTED LIGHTING SERVICE -- PROPOSED RATE SHEET No. 36</b>									
<b>Overhead</b>									
<b>High Pressure Sodium</b>									
<b>Cobra Head, 4000 Lumen, Fixture Only</b>									
4,000 Lumen HPS Std RC-461	St.Lt. 35	461	83,571	\$ 6.93	\$ 579,147	461	83,571	\$ 7.20	\$ 601,711
<b>Cobra Head, 4000 Lumen, Fixture and Pole</b>									
4,000 Lumen HPS Ormtl RC-471	St.Lt. 35	471	45,600	\$ 9.76	\$ 445,056	471	45,600	\$ 10.15	\$ 462,840
<b>Cobra Head, 50000 Lumen, Fixture Only</b>									
50,000L HPS Special Lighting RC-409	P.O.L. 36	409	1,922	\$ 10.25	\$ 19,701	409	1,922	\$ 10.65	\$ 20,469
<b>Open Bottom, 5800 Lumen, Fixture Only</b>									
5,800L Open Bottom HPS Std RC-426	P.O.L. 36	426	2,481	\$ 6.72	\$ 16,672	426	2,481	\$ 6.99	\$ 17,342
<b>Metal Halide</b>									
<b>Directional, 12000 Lumen, Flood, Fixture with Pole</b>									
12,000L Fix with W Pole Dir-MH RC-454	P.O.L. 36.3	454	1,787	\$ 17.27	\$ 30,861	454	1,787	\$ 17.95	\$ 32,077
<b>Directional, 32000 Lumen, Flood, Fixture with Pole</b>									
32,000L Fix with W Pole Dir-MH	P.O.L. 36.3	455	12,283	\$ 22.68	\$ 278,578	455	12,283	\$ 23.57	\$ 289,510
<b>Directional, 107800 Lumen, Flood, Fixture with Pole</b>									
107,800L Fix With W Pole Dir-MH	P.O.L. 36.3	459	3,104	\$ 42.71	\$ 132,572	459	3,104	\$ 44.39	\$ 137,787
<b>Mercury Vapor</b>									
<b>Cobra Head, 7000 Lumen, Fixture Only</b>									
7,000 Lumen MV Std RC-446	St.Lt. 35	446	13,737	\$ 8.72	\$ 119,787	446	13,737	\$ 9.06	\$ 124,457
<b>Cobra Head, 7000 Lumen, Fixture and Pole</b>									
7,000 Lumen MV Ormtl	St.Lt. 35	456	1,692	\$ 10.94	\$ 18,510	456	1,692	\$ 11.37	\$ 19,238
<b>Cobra Head, 10000 Lumen, Fixture Only</b>									
10,000 Lumen MV Std	St.Lt. 35	447	9,781	\$ 10.29	\$ 100,646	447	9,781	\$ 10.70	\$ 104,657
<b>Cobra Head, 10000 Lumen, Fixture and Pole</b>									
10,000 Lumen MV Ormtl	St.Lt. 35	457	6,043	\$ 12.26	\$ 74,087	457	6,043	\$ 12.74	\$ 76,988
<b>Cobra Head, 20000 Lumen, Fixture Only</b>									
20,000 Lumen MV Std RC-448	St.Lt. 35	448	17,015	\$ 12.57	\$ 213,879	448	17,015	\$ 12.01	\$ 204,437
20,000L MV Special Lighting RC-408	P.O.L. 36	408	4,670	\$ 7.85	\$ 36,660	408	4,670	\$ 7.85	\$ 36,660
<b>Cobra Head, 20000 Lumen, Fixture and Pole</b>									
20,000 Lumen MV Ormtl	St.Lt. 35	458	15,524	\$ 14.14	\$ 219,509	458	15,524	\$ 14.28	\$ 219,509
20,000L Cobra Head M V Std RC-405	P.O.L. 36	405	5,389	\$ 12.57	\$ 67,740	405	5,389	\$ 12.57	\$ 67,740
<b>Open Bottom, 7000 Lumen, Fixture Only</b>									
7,000L Open Bottom M V Std RC-404	P.O.L. 36	404	100,442	\$ 9.69	\$ 973,283	404	100,442	\$ 10.07	\$ 1,011,451
<b>Incandescent</b>									
<b>Tear Drop, 1000 Lumen, Fixture Only</b>									
1,000 Lumen Incand Std	St.Lt. 35	421	192	\$ 3.08	\$ 591	421	192	\$ 3.20	\$ 614
<b>Tear Drop, 2500 Lumen, Fixture Only</b>									
2,500 Lumen Incand Std	St.Lt. 35	422	10,185	\$ 4.09	\$ 41,657	422	10,185	\$ 4.25	\$ 43,286
<b>Tear Drop, 4000 Lumen, Fixture Only</b>									
4,000 Lumen Incand Std RC-424	St.Lt. 35	424	3,026	\$ 6.08	\$ 18,398	424	3,026	\$ 6.32	\$ 19,124
<b>Tear Drop, 4000 Lumen, Fixture and Pole</b>									
4,000 Lumen Incand Ormtl	St.Lt. 35	434	390	\$ 7.00	\$ 2,730	434	390	\$ 7.28	\$ 2,839
<b>Tear Drop, 6000 Lumen, Fixture Only</b>									
6,000 Lumen Incand Std	St.Lt. 35	425	14	\$ 8.11	\$ 114	425	14	\$ 8.43	\$ 118

**KENTUCKY UTILITIES COMPANY**  
**Calculations of Settlement Rate Increase**  
**Based on Sales for the 12 Months Ended March 31, 2012**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates	
<b>RESTRICTED LIGHTING SERVICE, CONTINUED</b>										
<b>Underground</b>										
<b>Metal Halide</b>										
<b>Directional, 12000 Lumen, Flood, Fixture with Pole</b>										
	12,000L Fix With M Pole Dir-MH	P.O.L. 36.3	460	300	\$ 25.45	\$ 7,635	460	300	\$ 26.45	\$ 7,935
<b>Directional, 32000 Lumen, Flood, Fixture with Pole</b>										
	32,000L Fix With M Pole Dir-MH	P.O.L. 36.3	469	3,220	\$ 30.86	\$ 99,369	469	3,220	\$ 32.08	\$ 103,298
<b>Directional, 107800 Lumen, Flood, Fixture with Pole</b>										
	107,800L Fix With M Pole Dir-MH	P.O.L. 36.3	470	899	\$ 50.89	\$ 45,750	470	899	\$ 52.90	\$ 47,557
<b>High Pressure Sodium</b>										
<b>Acorn, 4000 Lumen, Smooth Pole</b>										
	4,000L Acorn (Decorative Pole) UG RC-440	P.O.L. 36.1	440	24	\$ 12.77	\$ 306	440	24	\$ 13.27	\$ 318
<b>Acorn, 4000 Lumen, Fluted Pole</b>										
	4,000L Acorn (Hist Pole) HPS UG RC-410	St.Lt. 35.1	410	1,880	\$ 19.16	\$ 36,021	410	2,624	\$ 19.92	\$ 52,270
	4,000L Acorn (Historic Pole) UG RC-444	P.O.L. 36.1	444	744	\$ 19.16	\$ 14,255				
<b>Colonial, 4000 Lumen, Smooth Pole</b>										
	4,000L Colonial HPS UG RC-466	St.Lt. 35.1	466	8,928	\$ 8.93	\$ 79,727	466	9,927	\$ 9.28	\$ 92,123
	4,000L Colonial Decor UG RC-480	P.O.L. 36.1	480	999	\$ 8.93	\$ 8,921				
<b>Coach, 5800 Lumen, Smooth Pole</b>										
	5,800L Coach Decor UG RC-412	St.Lt. 35.1	412	336	\$ 29.24	\$ 9,825	412	336	\$ 30.39	\$ 10,211
<b>Coach, 9500 Lumen, Smooth Pole</b>										
	9,500L Coach Decor UG RC-413	St.Lt. 35.1	413	1,234	\$ 29.65	\$ 36,588	413	1,234	\$ 30.82	\$ 38,032
	Partial Month and Prorated Bills					\$ (60,028)				\$ (62,396)
	<b>Total Calculated at Base Rates</b>					\$ 23,087,333				\$ 23,995,802
	Correction Factor					<u>1.000000000</u>				<u>1.000000000</u>
	<b>Total After Application of Correction Factor</b>					\$ 23,087,333				\$ 23,995,802
Applicable to all lighting schedules:										
	Fuel Clause Billings - proforma for rollin					\$ 87,860				87,860
	Adjustment to Reflect Year-End Customers					98,915				102,807
	Adjustment to Reflect Removal of Base ECR Revenues					(2,862,245)				(88,435)
	Adjustment to Reflect Elimination of ECR Plans					2,773,810				-
	Total Net Base Revenues					<u>\$ 23,185,673</u>				<u>\$ 24,098,034</u>
	ECR Base Revenues					\$ 88,435				\$ 88,435
	ECR Billings - proforma for rollin					\$ 168,549				\$ 168,549
	Total Base Revenues Inclusive of ECR					<u>\$ 23,442,657</u>				<u>\$ 24,355,018</u>
	<b>Proposed Increase</b>									912,361
	Percentage Increase									3.89%

**Settlement Agreement Exhibit 2**  
**LG&E Electric Rate Allocation**

Louisville Gas and Electric Company  
Summary of Settlement Electric Revenue Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

	Adjusted Billings Including All ECR Revenue at Current Rates	Increase	Percentage Increase
Residential Rate - RS	\$ 351,464,526	\$ 17,718,700	5.04%
General Service Rate - GS	\$ 132,545,123	\$ 4,510,642	3.40%
Power Service Rate			
Power Service Rate PS - Secondary	\$ 174,255,983	\$ 5,944,970	3.41%
Power Service Rate PS - Primary	<u>\$ 16,980,211</u>	<u>\$ 30,340</u>	0.18%
	\$ 191,236,194	5,975,310	3.12%
Time of Day Secondary Service TODS			
Commercial time of day secondary	\$ 30,513,587		
Industrial time of day secondary	<u>\$ 9,835,443</u>		
	\$ 40,349,030	1,363,888	3.38%
Time of Day Primary Service TODP			
Commercial time of day primary	\$ 24,203,584	\$ 825,815	3.41%
Industrial time of day primary	<u>\$ 88,341,370</u>	\$ 3,001,165	3.40%
	\$ 112,544,954	3,826,980	3.40%
Retail Transmission Service -- RTS	\$ 29,758,402	\$ 1,016,445	3.42%
Special Contract -- Customer #1	\$ 11,939,461	\$ 700,067	5.86%
Special Contract -- Customer #2	\$ 3,059,071	\$ 104,033	3.40%
Curtable Service Riders - CSR10	\$ (200,398)	\$ -	
Curtable Service Riders - CSR30	<u>\$ (978,336)</u>	<u>\$ -</u>	
Total Curtable Service Riders	\$ (1,178,734)	\$ -	
Lighting Energy -- LE	\$ 227,708	\$ 7,739	3.40%
Traffic Lighting Energy -- TE	\$ 259,406	\$ 8,834	3.41%
Lighting Service -- LS	\$ 3,582,559		
Restricted Lighting Service -- RLS	\$ 13,805,646		
Dark Sky Friendly -- DSK	<u>\$ 1,910</u>		
Total Lighting Service	<u>\$ 17,390,115</u>	<u>\$ 591,047</u>	<u>3.40%</u>
<b>TOTAL ULTIMATE CONSUMERS</b>	<u>\$ 889,595,256</u>	<u>\$ 35,823,686</u>	<u>4.03%</u>
Forfeited Discounts	\$ 5,456,486	\$ (2,394,224) (1)	
Electric Service Revenues	\$ 1,623,075		
Rent from Electric Property	\$ 2,958,357	\$ 326,206 (2)	
Other Miscellaneous Electric Revenue	\$ 1,002,835	\$ (58,431)	
<b>TOTAL JURISDICTIONAL</b>	<u>\$ 900,636,008</u>	<u>\$ 33,697,237</u>	<u>3.74%</u>

(1) Revised LPC 5% - 3%

(2) Revised CATV charge for ROE

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>RESIDENTIAL RATE RS, inclusive of Volunteer Fire Department and Responsive Pricing customers</b>						
	Basic Service Charges	4,172,584	\$ 8.50	\$ 35,466,964	\$ 10.75	\$ 44,855,278
	All Energy	4,216,279,955	\$ 0.07242	\$ 305,342,994	\$ 0.07439	\$ 313,649,066
Responsive Pricing Program -- Rate Eliminated, Customers Moved to Rate RS						
	Basic Service Charges	827	\$ 13.50	\$ 11,166	\$ 10.75	\$ 8,890
	Energy used, Period 1	561,958	\$ 0.05046	\$ 28,356	\$ 0.07439	\$ 41,804
	Energy used, Period 2	352,868	\$ 0.06342	\$ 22,379	\$ 0.07439	\$ 26,250
	Energy used, Period 3	159,647	\$ 0.12047	\$ 19,233	\$ 0.07439	\$ 11,876
	Energy used, Period 4	-	\$ 0.32538	\$ -	\$ 0.07439	\$ -
Low Emission Vehicle Rate LEV (Residential Only)						
	Basic Service Charges	14	\$ 8.50	\$ 120	\$ 10.75	\$ 151
	Energy used, Period 1	13,727	\$ 0.05046	\$ 693	\$ 0.05183	\$ 712
	Energy used, Period 2	5,838	\$ 0.07070	\$ 413	\$ 0.07262	\$ 424
	Energy used, Period 3	4,387	\$ 0.13448	\$ 590	\$ 0.13814	\$ 606
	Prorated and corrected basic service charge billings			\$ (89,548)		\$ (113,252)
	Prorated and corrected energy billings			\$ (2,615)		\$ (2,686)
				<b>Total Calculated at Base Rates</b>		<b>\$ 340,800,745</b>
				Correction Factor		<b>1.000000000</b>
				<b>Total After Application of Correction Factor</b>		<b>\$ 340,800,745</b>
				Fuel Clause Billings - proforma for rollin		\$ 9,836,112
				Adjustment to Reflect Elimination of RRP		\$ 3,709
				Adjustment to Reflect Year-End Customers		\$ 910,637
				Adjustment to Reflect Customers Moving To Rate		\$ 19,495
	Customer-Months Moving To Rate	337			\$ 10.75	\$ 3,623
	Energy Usage by Customers Moving to Rate	235,355			\$ 0.07439	\$ 17,508
	Adjustment to Reflect Customers Moving From Rate			\$ (107,074)		
	Customer-Months Moving From Rate	(540)			\$ 10.75	\$ (5,805)
	Energy Usage by Customers Moving From Rate	(1,426,359)			\$ 0.07439	\$ (106,107)
	Adjustment to Reflect Removal of Base ECR Revenues			\$ (3,795,641)		\$ (295,217)
	Adjustment to Reflect Elimination of ECR Plans			\$ 3,500,424		\$ -
				<b>Total Net Base Revenues</b>		<b>\$ 351,168,407</b>
				ECR Base Revenues		\$ 295,217
				ECR Billings - proforma for rollin		\$ 902
				<b>Total Base Revenues Inclusive of ECR</b>		<b>\$ 351,464,526</b>
				<b>Proposed Increase</b>		<b>17,718,700</b>
		Percentage Increase				5.04%

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>GENERAL SERVICE RATE GS</b>						
Single Phase Customer Charge	342,973		\$ 17.50	\$ 6,002,028	\$ 20.00	\$ 6,859,460
Three Phase Customer Charge	176,125		\$ 32.50	\$ 5,724,063	\$ 35.00	\$ 6,164,375
All Energy		1,433,935,161	\$ 0.08240	\$ 118,156,257	\$ 0.08466	\$ 121,396,951
Responsive Pricing Program -- Rate Eliminated, Customers Moved to Rate GS						
Single Phase Customer Charge	49		\$ 27.50	\$ 1,348	\$ 20.00	\$ 980
Three Phase Customer Charge	24		\$ 42.50	\$ 1,020	\$ 35.00	\$ 840
Energy used, Period 1		60,442	\$ 0.05838	\$ 3,529	\$ 0.08466	\$ 5,117
Energy used, Period 2		46,271	\$ 0.07421	\$ 3,434	\$ 0.08466	\$ 3,917
Energy used, Period 3		20,762	\$ 0.15323	\$ 3,181	\$ 0.08466	\$ 1,758
Energy used, Period 4		-	\$ 0.32972	\$ -	\$ 0.08466	\$ -
Prorated and corrected basic service charge billings				\$ (52,228)		\$ (37,970)
Prorated and corrected energy billings				\$ 21,501		\$ 22,874
				<b>Total Calculated at Base Rates</b>		<b>\$ 129,864,133</b>
						<b>\$ 134,418,303</b>
						<b>Correction Factor</b>
						<b>1.000000000</b>
						<b>Total After Application of Correction Factor</b>
						<b>\$ 129,864,133</b>
						<b>\$ 134,418,303</b>
Fuel Clause Billings - proforma for rollin				\$ 3,327,983		\$ 3,327,983
Adjustment to Reflect Elimination of GRP				\$ (1,150)		\$ -
Adjustment to Reflect Year-End Customers				\$ 469,659		\$ 486,129
Adjustment to Reflect Customers Moving To Rate				\$ 190,243		
Customer-Months Moving To Rate (single phase)	637				\$ 20.00	\$ 12,740
Energy Usage by Customers Moving to Rate		2,175,857			\$ 0.08466	\$ 184,208
Adjustment to Reflect Customers Moving From Rate				\$ (1,310,613)		
Customer-Months Moving From Rate (single phase)	(943)				\$ 20.00	\$ (18,860)
Energy Usage by Customers Moving From Rate		(15,722,353)			\$ 0.08466	\$ (1,331,054)
Adjustment to Reflect Customers Moving To Rate				\$ 1,198,405		
Customer-Months Moving To Rate (3 phase)	1,308				\$ 35.00	\$ 45,780
Energy Usage by Customers Moving to Rate		14,043,165			\$ 0.08466	\$ 1,188,894
Adjustment to Reflect Customers Moving From Rate				\$ (2,226,961)		
Customer-Months Moving From Rate (3 phase)	(790)				\$ 35.00	\$ (27,650)
Energy Usage by Customers Moving From Rate		(26,743,812)			\$ 0.08466	\$ (2,264,131)
Adjustment to Reflect Removal of Base ECR Revenues				\$ (1,606,150)		\$ (129,066)
Adjustment to Reflect Elimination of ECR Plans				\$ 1,477,084		\$ -
				<b>Total Net Base Revenues</b>		<b>\$ 131,382,634</b>
						<b>\$ 135,893,276</b>
ECR Base Revenues				\$ 129,066		\$ 129,066
ECR Billings - proforma for rollin				\$ 1,033,423		\$ 1,033,423
				<b>Total Base Revenues Inclusive of ECR</b>		<b>\$ 132,545,123</b>
						<b>\$ 137,055,765</b>
<b>Proposed Increase</b>						<b>4,510,642</b>
						3.40%

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Customer Bills	Demand kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>POWER SERVICE RATE PS-Secondary</b>							
Basic Service Charges	35,467			\$ 90.00	\$ 3,192,030	\$ 90.00	\$ 3,192,030
All Energy			2,332,828,585	\$ 0.03421	\$ 79,806,067	\$ 0.03550	\$ 82,815,415
Summer Demand		2,650,661		\$ 15.39	\$ 40,793,670	\$ 15.95	\$ 42,278,040
Winter Demand		3,205,076		\$ 13.14	\$ 42,114,693	\$ 13.56	\$ 43,460,825
Minimum kW and charges		193,392			\$ 2,694,819		\$ 2,786,821
Power factor adjustment charges					\$ 1,208,017		\$ 1,249,259
Prorated and corrected basic service charge billings					\$ (3,521)		\$ (3,521)
Prorated and corrected energy billings					\$ 20,922		\$ 21,711
Prorated and corrected demand billings					\$ (69,292)		\$ (71,658)
					<b>\$ 169,757,405</b>		<b>\$ 175,728,922</b>
					Correction Factor <u>1.0000000000</u>		<u>1.0000000000</u>
					<b>\$ 169,757,405</b>		<b>\$ 175,728,922</b>
Fuel Clause Billings - proforma for rollin					\$ 5,419,016		\$ 5,419,016
Adjustment to Reflect Year-End Customers					\$ (1,115,231)		\$ (1,154,461)
Adjustment to Reflect Rate Switching to Rate PS-Secondary					\$ 2,583,250		
Customer-months Moving to Rate	855					\$ 90.00	\$ 76,950
Energy Use Moving to Rate			32,431,037			\$ 0.03550	\$ 1,151,302
Summer Demand for Customers Moving to Rate		59,944				\$ 15.95	\$ 956,108
Winter Demand for Customers Moving to Rate		42,191				\$ 13.56	\$ 572,109
Adjustment to Reflect Rate Switching From Rate PS-Secondary					\$ (3,839,632)		
Customer-months Moving to Rate	(1,405)					\$ 90.00	\$ (126,450)
Energy Use Moving to Rate			(50,848,500)			\$ 0.03550	\$ (1,805,122)
Summer Demand for Customers Moving From Rate		(84,095)				\$ 15.95	\$ (1,341,320)
Winter Demand for Customers Moving From Rate		(53,634)				\$ 13.56	\$ (727,276)
Adjustment to Reflect Removal of Base ECR Revenues					\$ (1,935,721)		\$ (181,473)
Adjustment to Reflect Elimination of ECR Plans					\$ 1,754,248		\$ -
					<b>\$ 172,623,335</b>		<b>\$ 178,568,305</b>
ECR Base Revenues					\$ 181,473		\$ 181,473
ECR Billings - proforma for rollin					\$ 1,451,175		\$ 1,451,175
					<b>\$ 174,255,983</b>		<b>\$ 180,200,953</b>
<b>Proposed Increase</b>							<b>5,944,970</b>
							3.41%



Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Customer Bills	Demand kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>POWER SERVICE RATE PS-Primary</b>							
Basic Service Charges	1,039			\$ 90.00	\$ 93,510	\$ 170.00	\$ 176,630
All Energy			238,816,300	\$ 0.03421	\$ 8,169,906	\$ 0.03416	\$ 8,157,965
Summer Demand		300,622		\$ 13.55	\$ 4,073,422	\$ 13.50	\$ 4,058,392
Winter Demand		276,182		\$ 11.31	\$ 3,123,623	\$ 11.21	\$ 3,096,005
Minimum kW and charges		87,501			\$ 1,066,650		\$ 1,060,329
Power factor adjustment charges					\$ 228,558		\$ 227,204
Prorated and corrected basic service charge billings					\$ 3,213		\$ 6,069
Prorated and corrected energy billings					\$ (55,774)		\$ (55,692)
Prorated and corrected demand billings					\$ (100,835)		\$ (100,237)
					<b>\$ 16,602,273</b>		<b>\$ 16,626,664</b>
					Correction Factor <u>1.000000000</u>		<u>1.000000000</u>
					<b>Total After Application of Correction Factor</b> <b>\$ 16,602,273</b>		<b>\$ 16,626,664</b>
Fuel Clause Billings - proforma for rollin					\$ 526,959		\$ 526,959
Adjustment to Reflect Year-End Customers					\$ -		\$ -
Adjustment to Reflect Rate Switching to Rate PS-Primary					\$ 10,201		
Customer-months Moving to Rate	2					\$ 170.00	\$ 340
Energy Use Moving to Rate			212,400			\$ 0.03416	\$ 7,256
Summer Demand for Customers Moving to Rate		405				\$ 13.50	\$ 5,473
Winter Demand for Customers Moving to Rate						\$ 11.21	\$ -
Adjustment to Reflect Rate Switching From Rate PS-Primary					\$ (311,216)		
Customer-months Moving From Rate	(26)					\$ 170.00	\$ (4,420)
Energy Use Moving From Rate			(4,544,280)			\$ 0.03416	\$ (155,233)
Summer Demand for Customers Moving From Rate		(8,094)				\$ 13.50	\$ (109,269)
Winter Demand for Customers Moving From Rate		(3,498)				\$ 11.21	\$ (39,213)
Adjustment to Reflect Removal of Base ECR Revenues					\$ (212,578)		\$ (19,929)
Adjustment to Reflect Elimination of ECR Plans					\$ 192,649		\$ -
					<b>\$ 16,808,288</b>		<b>\$ 16,838,628</b>
ECR Base Revenues					\$ 19,929		\$ 19,929
ECR Billings - proforma for rollin					\$ 151,994		\$ 151,994
					<b>\$ 16,980,211</b>		<b>\$ 17,010,551</b>
<b>Proposed Increase</b>							<b>30,340</b>
							0.18%
							Percentage Increase

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Bills/kW	Minimum kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TIME OF DAY SECONDARY SERVICE RATE TODS (consolidation of CTODS and ITODS)</b>							
<b>TIME OF DAY SECONDARY SERVICE RATE CTODS -- (Commercial)</b>							
Basic Service Charges	1,266			\$ 200.00	\$ 253,200	\$ 200.00	\$ 253,200
All Energy			422,578,868	\$ 0.03383	\$ 14,295,844	\$ 0.03480	\$ 14,705,745
Demand Base	888,264	50,250		\$ 3.76	\$ 3,339,871	\$ 3.85	\$ 3,419,815
Demand Intermediate	880,815	313		\$ 4.25	\$ 3,743,465	\$ 4.36	\$ 3,840,355
Demand Peak	863,200	546		\$ 5.78	\$ 4,989,297	\$ 5.96	\$ 5,144,673
Redundant Capacity Billings	6,000			\$ 1.52	\$ 9,120	\$ 1.17	\$ 7,020
Minimum Demand Billings					\$ 193,424		\$ 198,747
Power Factor Correction Charges					\$ 105,564		\$ 108,469
Prorated and corrected basic service charge billings					\$ (585)		\$ (585)
Prorated and corrected energy billings					\$ (4,392)		\$ (4,518)
Prorated and corrected demand billings					\$ (33,355)		\$ (34,273)
					<b>\$ 26,891,453</b>		<b>\$ 27,638,647</b>
					Correction Factor		1.000000000
					<b>\$ 26,891,453</b>		<b>\$ 27,638,647</b>
Fuel Clause Billings - proforma for rollin					\$ 986,940		\$ 986,940
Adjustment to Reflect Year-End Customers					\$ 256,043		\$ 263,158
Adjustment to Reflect Rate Switching to Rate CTOD-Secondary					\$ 2,320,061		
Customer-months Moving to Rate	187					\$ 200.00	\$ 37,400
Energy Use Moving to Rate			34,301,555			\$ 0.03480	\$ 1,193,694
Base Demand for Customers Moving to Rate		81,741				\$ 3.85	\$ 314,703
Intermediate Demand for Customers Moving to Rate		81,741				\$ 4.36	\$ 356,391
Peak Demand for Customers Moving to Rate		81,741				\$ 5.96	\$ 487,177
Adjustment to Reflect Rate Switching from Rate CTOD-Secondary					\$ (140,752)		
Customer-months Moving from Rate	(20)					\$ 200.00	\$ (4,000)
Energy Use Moving from Rate			(2,053,705)			\$ 0.03480	\$ (71,469)
Base Demand for Customers Moving from Rate	(4,800)					\$ 3.85	\$ (18,482)
Intermediate Demand for Customers Moving from Rate	(4,876)					\$ 4.36	\$ (21,259)
Peak Demand for Customers Moving from Rate	(6,049)					\$ 5.96	\$ (36,052)
Adjustment to Reflect Removal of Base ECR Revenues					(295,173)		(26,834)
Adjustment to Reflect Elimination of ECR Plans					268,339		-
<b>Total Net Base Revenues</b>					<b>\$ 30,286,911</b>		<b>\$ 31,100,014</b>
ECR Base Revenues					\$ 26,834		\$ 26,834
ECR Billings - proforma for rollin					\$ 199,842		\$ 199,842
<b>Total Base Revenues Inclusive of Base ECR</b>					<b>\$ 30,513,587</b>		<b>\$ 31,326,690</b>

Louisville Gas and Electric Company  
 Calculation of Settlement Electric Rate Increase  
 Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Bills/kW	Minimum kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TIME OF DAY SECONDARY SERVICE RATE ITODS -- (Industrial)</b>							
Basic Service Charges	441			\$ 300.00	\$ 132,300	\$ 200.00	\$ 88,200
All Energy			126,781,274	\$ 0.02984	\$ 3,783,154	\$ 0.03480	\$ 4,411,988
Demand Base	313,570	13,356		\$ 5.46	\$ 1,712,092	\$ 3.85	\$ 1,207,245
Demand Intermediate	298,398	3,320		\$ 3.68	\$ 1,098,106	\$ 4.36	\$ 1,301,017
Demand Peak	288,715	3,291		\$ 5.18	\$ 1,495,544	\$ 5.96	\$ 1,720,743
Minimum Demand Billings					\$ 102,189		\$ 100,368
Power Factor Correction Charges					\$ 242,391		\$ 238,071
Prorated and corrected basic service charge billings					\$ 683		\$ 455
Prorated and corrected energy billings					\$ (394)		\$ (459)
Prorated and corrected demand billings					\$ (25,959)		\$ (25,496)
					<b>\$ 8,540,106</b>		<b>\$ 9,042,132</b>
					Correction Factor <u>1.000000000</u>		<u>1.000000000</u>
					<b>Total After Application of Correction Factor</b> <b>\$ 8,540,106</b>		<b>\$ 9,042,132</b>
Fuel Clause Billings - proforma for rollin					\$ 300,256		\$ 300,256
Adjustment to Reflect Year-End Customers					\$ 96,484		\$ 102,155
Adjustment to Reflect Rate Switching to Rate ITOD-Secondary					\$ 837,487		
Customer-months Moving to Rate	73					\$ 200.00	\$ 14,600
Energy Use Moving to Rate			11,113,361			\$ 0.03480	\$ 386,745
Base Demand for Customers Moving to Rate	33,820					\$ 3.85	\$ 130,207
Intermediate Demand for Customers Moving to Rate	33,820					\$ 4.36	\$ 147,455
Peak Demand for Customers Moving to Rate	33,820					\$ 5.96	\$ 201,567
Adjustment to Reflect Removal of Base ECR Revenues					(92,065)		(9,207)
Adjustment to Reflect Elimination of ECR Plans					82,858		-
<b>Total Net Base Revenues</b>					<b>\$ 9,765,126</b>		<b>\$ 10,315,911</b>
ECR Base Revenues					\$ 9,207		\$ 9,207
ECR Billings - proforma for rollin					\$ 61,110		\$ 61,110
<b>Total Base Revenues Inclusive of Base ECR</b>					<b>\$ 9,835,443</b>		<b>\$ 10,386,228</b>
<b>TIME OF DAY SECONDARY SERVICE RATE TODS</b>							
<b>Total Base Revenues Inclusive of Base ECR</b>					<b>\$ 40,349,030</b>		<b>\$ 41,712,918</b>
<b>Proposed Increase</b>							<b>1,363,888</b>
			Percentage Increase				3.38%

Louisville Gas and Electric Company  
 Calculation of Settlement Electric Rate Increase  
 Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Bills/kVa	Minimum Demand	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TIME OF DAY PRIMARY SERVICE RATE CTODP</b>							
Basic Service Charges	358			\$ 200.00	\$ 71,600	\$ 300.00	\$ 107,400
All Energy			368,941,649	\$ 0.03383	\$ 12,481,296	\$ 0.03300	\$ 12,175,074
Demand Base	889,702	37,161		\$ 2.59	\$ 2,304,328	\$ 3.85	\$ 3,425,352
Demand Intermediate	845,920	2,704		\$ 4.15	\$ 3,510,566	\$ 4.00	\$ 3,383,678
Demand Peak	826,274	2,627		\$ 5.65	\$ 4,668,447	\$ 5.70	\$ 4,709,761
Minimum Demand Billings					\$ 122,315		\$ 134,396
Prorated and corrected basic service charge billings					\$ (427)		\$ (641)
Prorated and corrected energy billings					\$ (2,157)		\$ (2,104)
Prorated and corrected demand billings					\$ (26,241)		\$ (28,833)
					<b>\$ 23,129,727</b>		<b>\$ 23,904,084</b>
					Correction Factor <u>1.000000000</u>		<u>1.000000000</u>
					<b>\$ 23,129,727</b>		<b>\$ 23,904,084</b>
Fuel Clause Billings - proforma for rollin					\$ 858,150		\$ 858,150
Adjustment to Reflect Year-End Customers					\$ (157,957)		\$ (163,246)
Adjustment to Reflect Rate Switching to Rate CTOD-Primary					\$ 170,526		
Customer-months Moving to Rate	16					\$ 300.00	\$ 4,800
Energy Use Moving to Rate			2,589,572			\$ 0.03300	\$ 85,456
Base Demand for Customers Moving to Rate	10,112					\$ 3.85	\$ 38,931
Intermediate Demand for Customers Moving to Rate	10,112					\$ 4.00	\$ 40,448
Peak Demand for Customers Moving to Rate	10,112					\$ 5.70	\$ 57,638
Adjustment to Reflect Removal of Base ECR Revenues					\$ (234,395)		\$ (26,043)
Adjustment to Reflect Elimination of ECR Plans					\$ 208,352		\$ -
					<b>\$ 23,974,403</b>		<b>\$ 24,800,218</b>
ECR Base Revenues					\$ 26,043		\$ 26,043
ECR Billings - proforma for rollin					\$ 203,138		\$ 203,138
					<b>\$ 24,203,584</b>		<b>\$ 25,029,399</b>
<b>Proposed Increase</b>							<b>825,815</b>
							3.41%

Louisville Gas and Electric Company  
 Calculation of Settlement Electric Rate Increase  
 Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Bills/kW/kVa	Minimum Demand:	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TIME OF DAY PRIMARY SERVICE RATE ITODP</b>							
Basic Service Charges	704			\$ 300.00	\$ 211,200	\$ 300.00	\$ 211,200
All Energy			1,517,084,302	\$ 0.02984	\$ 45,269,796	\$ 0.03028	\$ 45,937,313
Demand Base, kW	3,260,283	19,360		\$ 4.17	\$ 13,595,382	\$ -	\$ -
Demand Summer Peak, kW	1,164,942	3,840		\$ 10.12	\$ 11,789,212	\$ -	\$ -
Demand Winter Peak, kW	1,986,034	14,870		\$ 7.32	\$ 14,537,766	\$ -	\$ -
Minimum Demand Billings, kW					\$ 228,438		\$ -
Power Factor Revenue					\$ (1,912,236)		\$ -
Demand Base, kVa	3,560,885			\$ -	\$ -	\$ 3.50	\$ 12,463,099
Demand Intermediate, kVa	3,450,788			\$ -	\$ -	\$ 3.66	\$ 12,629,883
Demand Peak, kVa	3,389,303			\$ -	\$ -	\$ 4.50	\$ 15,251,864
Minimum Demand Billings, kVa							\$ 230,855
Prorated and corrected basic service charge billings					\$ (270)		\$ (270)
Prorated and corrected energy billings					\$ (46,799)		\$ (47,489)
Prorated and corrected demand billings					\$ (201,463)		\$ (203,595)
					<b>\$ 83,471,026</b>		<b>\$ 86,472,860</b>
					Correction Factor		<b>1.000000000</b>
					<b>Total After Application of Correction Factor</b>		<b>\$ 83,471,026</b>
Fuel Clause Billings - proforma for rollin					\$ 3,516,500		\$ 3,516,500
Adjustment to Reflect Year-End Customers					\$ 551,270		\$ 571,095
Adjustment to Reflect Rate Switching to Rate ITOD-Primary					\$ 294,395		
Customer-months Moving to Rate	29					\$ 300.00	\$ 8,700
Energy Use Moving to Rate			4,442,640			\$ 0.03028	\$ 134,523
Base Demand for Customers Moving to Rate	11,066					\$ 3.50	\$ 38,731
Intermediate Demand for Customers Moving to Rate	11,066					\$ 3.66	\$ 40,502
Peak Demand for Customers Moving to Rate	11,066					\$ 4.50	\$ 49,797
Adjustment to Reflect Rate Switching From Rate ITOD-Primary					\$ (11,476)		
Customer-months Moving from Rate	(2)			\$ 300.00			\$ (600)
Energy Use Moving from Rate			(212,400)	\$ 0.02984			\$ (6,338)
Basic Demand for Customers Moving from Rate	(204)			\$ 4.17			\$ (850)
Summer Peak Demand for Customers Moving from Rate	(202)			\$ 10.12			\$ (2,040)
Adjustment to Reflect Removal of Base ECR Revenues					\$ (838,413)		\$ (64,493)
Adjustment to Reflect Elimination of ECR Plans					\$ 773,920		\$ -
					<b>\$ 87,757,222</b>		<b>\$ 90,758,387</b>
ECR Base Revenues					\$ 64,493		\$ 64,493
ECR Billings - proforma for rollin					\$ 519,655		\$ 519,655
					<b>\$ 88,341,370</b>		<b>\$ 91,342,535</b>
<b>Proposed Increase</b>							<b>3,001,165</b>
							3.40%

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Bills/kVa	Minimum Demand:	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>RETAIL TRANSMISSION SERVICE RATE RTS</b>							
Basic Service Charges	133			\$ 500.00	\$ 66,500	\$ 750.00	\$ 99,750
All Energy			523,880,472	\$ 0.02984	\$ 15,632,593	\$ 0.03100	\$ 16,240,295
Demand Base	1,268,834	108,439		\$ 2.57	\$ 3,260,902	\$ 2.65	\$ 3,362,409
Demand Intermediate	1,219,250	66,122		\$ 2.82	\$ 3,438,286	\$ 2.90	\$ 3,535,825
Demand Peak	1,186,122	65,809		\$ 4.32	\$ 5,124,048	\$ 4.45	\$ 5,278,243
Minimum Demand Billings					\$ 749,446		\$ 771,837
Prorated and corrected basic service charge billings					\$ (500)		\$ (750)
Prorated and corrected energy billings					-		-
Prorated and corrected demand billings					\$ 3,720		\$ 3,831
					<b>\$ 28,274,995</b>		<b>\$ 29,291,440</b>
					Correction Factor <u>1.000000000</u>		<u>1.000000000</u>
					<b>\$ 28,274,995</b>		<b>\$ 29,291,440</b>
Fuel Clause Billings - proforma for rollin					\$ 1,210,473		\$ 1,210,473
Adjustment to Reflect Year-End Customers					\$ -		\$ -
Adjustment to Reflect Removal of Base ECR Revenues					\$ (274,020)		\$ (39,146)
Adjustment to Reflect Elimination of ECR Plans					\$ 234,874		\$ -
					<b>\$ 29,446,322</b>		<b>\$ 30,462,767</b>
ECR Base Revenues					\$ 39,146		\$ 39,146
ECR Billings - proforma for rollin					\$ 272,934		\$ 272,934
					<b>\$ 29,758,402</b>		<b>\$ 30,774,847</b>
<b>Proposed Increase</b>							<b>1,016,445</b>
				Percentage Increase			3.42%

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)		(3)	(4)	(5)	(6)	(7)
	Bills/kVa	Minimum Demand:	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>FLUCTUATING LOAD SERVICE RATE FLS</b>							
<b>Primary Delivery</b>							
Basic Service Charges	-			\$ 500.00	\$ -	\$ 750.00	\$ -
All Energy			-	\$ 0.03710	\$ -	\$ 0.03100	\$ -
Demand Base	-			\$ 1.71	\$ -	\$ 1.79	\$ -
Demand Intermediate	-			\$ 1.71	\$ -	\$ 1.79	\$ -
Demand Peak	-			\$ 2.71	\$ -	\$ 2.84	\$ -
<b>Transmission Delivery</b>							
Basic Service Charges	-			\$ 500.00	\$ -	\$ 750.00	\$ -
All Energy			-	\$ 0.03428	\$ -	\$ 0.03100	\$ -
Demand Base	-			\$ 0.96	\$ -	\$ 1.04	\$ -
Demand Intermediate	-			\$ 1.71	\$ -	\$ 1.79	\$ -
Demand Peak	-			\$ 2.71	\$ -	\$ 2.84	\$ -
Adjustment to Reflect Year-End Customers					\$ -	\$ -	\$ -
Adjustment to Reflect Removal of Base ECR Revenues					\$ -	\$ -	\$ -
Adjustment to Reflect Elimination of ECR Plans					\$ -	\$ -	\$ -
<b>Total Base Revenues Net of ECR</b>					<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ECR Base Revenues					\$ -	\$ -	\$ -
ECR Billings - proforma for rollin					\$ -	\$ -	\$ -
<b>Total Base Revenues Inclusive of Base ECR</b>					<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Proposed Increase</b>							-
Percentage Increase							0.00%

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills/kVa	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>SPECIAL CONTRACTS</b>						
Customer Number 1						
Basic Service Charges	11		\$ -	\$ -	\$ -	\$ -
All Energy		215,705,000	\$ 0.03040	\$ 6,557,433	\$ 0.03230	\$ 6,967,272
Winter Demand	183,024		\$ 11.65	\$ 2,132,229	\$ 12.35	\$ 2,260,346
Summer Demand	236,047		\$ 13.84	\$ 3,266,893	\$ 14.67	\$ 3,462,812
Power Factor Adjustment				\$ (379,455)		\$ (402,229)
Prorated and corrected basic service charge billings				\$ -		\$ -
Prorated and corrected energy billings				\$ (32,470)		\$ (34,499)
Prorated and corrected demand billings				\$ (150,054)		\$ (159,059)
				<b>\$ 11,394,576</b>		<b>\$ 12,094,643</b>
				Correction Factor		<u>1.000000000</u>
				<b>Total After Application of Correction Factor</b>		<b>\$ 12,094,643</b>
Fuel Clause Billings - proforma for rollin				\$ 481,619		\$ 481,619
Adjustment to Reflect Year-End Customers				\$ -		\$ -
Adjustment to Reflect Removal of Base ECR Revenues				\$ (108,958)		\$ (8,381)
Adjustment to Reflect Elimination of ECR Plans				\$ 100,577		\$ -
				<b>\$ 11,867,814</b>		<b>\$ 12,567,881</b>
ECR Base Revenues				\$ 8,381		\$ 8,381
ECR Billings - proforma for rollin				\$ 63,266		\$ 63,266
				<b>\$ 11,939,461</b>		<b>\$ 12,639,528</b>
<b>Proposed Increase</b>						\$ 700,067
			Percentage Increase			5.86%



Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
	Bills/kVa	Minimum Demand	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>SPECIAL CONTRACTS</b>							
Customer Number 2							
Basic Service Charges	22			\$ -	\$ -	\$ -	\$ -
All Energy			53,731,200	\$ 0.03039	\$ 1,632,892	\$ 0.03192	\$ 1,715,100
Demand Billings	101,814	4,629		\$ 9.87	\$ 1,004,903	\$ 10.00	\$ 1,018,140
Minimum Demands billings					\$ 67,332		\$ 68,219
Prorated and corrected basic service charge billings					\$ -		\$ -
Prorated and corrected energy billings					\$ (62)		\$ (65)
Prorated and corrected demand billings					\$ (305)		\$ (309)
					<b>Total Calculated at Base Rates</b>		<b>\$ 2,801,085</b>
					Correction Factor		<u>1.000000000</u>
					<b>Total After Application of Correction Factor</b>		<b>\$ 2,801,085</b>
Fuel Clause Billings - proforma for rollin					\$ 115,770		\$ 115,770
Adjustment to Reflect Year-End Customers					\$ -		\$ -
Adjustment to Reflect March 2012 Billing Included in Accrued Revenues							
Customer-months Not Included in Test Year Billings	2			-	\$ -	\$ -	\$ -
Energy Use Not Included in Test Year Billings			4,237,200	\$ 0.03039	\$ 128,769	\$ 0.03192	\$ 135,251
Demand Not Included in Test Year Billings		9,432		\$ 9.87	\$ 93,094	\$ 10.00	\$ 94,320
Adjustment to Reflect Removal of Base ECR Revenues					\$ (25,546)		\$ (2,129)
Adjustment to Reflect Elimination of ECR Plans					\$ 23,417		\$ -
					<b>Total Base Revenues Net of ECR</b>		<b>\$ 3,144,297</b>
ECR Base Revenues					\$ 2,129		\$ 2,129
ECR Billings - proforma for rollin					\$ 16,678		\$ 16,678
					<b>Total Base Revenues Inclusive of Base ECR</b>		<b>\$ 3,163,104</b>
<b>Proposed Increase</b>							\$ 104,033
							Percentage Increase 3.40%

Louisville Gas and Electric Company  
 Calculation of Settlement Electric Rate Increase  
 Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills/Kw	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>LIGHTING ENERGY SERVICE RATE LE</b>						
Basic Service Charges	1,742		\$ -	\$ -	\$ -	\$ -
All Energy		3,674,215	\$ 0.05646	\$ 207,446	\$ 0.05847	\$ 214,831
Prorated and corrected energy billings				(280)		(290)
				<b>\$ 207,166</b>		<b>\$ 214,541</b>
				Correction Factor <u>1.000000000</u>		<u>1.000000000</u>
				<b>\$ 207,166</b>		<b>\$ 214,541</b>
Fuel Clause Billings - proforma for rollin				\$ 8,601		\$ 8,601
Adjustment to Reflect Year-End Customers				\$ 9,867		\$ 10,218
Adjustment to Reflect Customers Moving To Rate				\$ 365		\$ -
Customer-Months Moving To Rate	303				\$ -	\$ -
Energy Usage by Customers Moving to Rate		6,467			\$ 0.05847	\$ 378
Adjustment to Reflect Removal of Base ECR Revenues				\$ (2,756)		\$ (220)
Adjustment to Reflect Elimination of ECR Plans				\$ 2,536		\$ -
<b>Total Base Revenues Net of ECR</b>				<b><u>\$ 225,779</u></b>		<b><u>\$ 233,518</u></b>
ECR Base Revenues				\$ 220		\$ 220
ECR Billings - proforma for rollin				\$ 1,709		\$ 1,709
<b>Total Base Revenues Inclusive of Base ECR</b>				<b><u>\$ 227,708</u></b>		<b><u>\$ 235,447</u></b>
<b>Proposed Increase</b>						<b>7,739</b>
	Percentage Increase					3.40%

Louisville Gas and Electric Company  
Calculation of Settlement Electric Rate Increase  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills/Kw	Total KWH	Present Rates	Calculated Revenue at Present Rates	Settlement Rates	Calculated Revenue at Settlement Rates
<b>TRAFFIC ENERGY SERVICE RATE TE</b>						
Basic Service Charges	12,220		\$ 3.14	\$ 38,372	\$ 3.25	\$ 39,715
All Energy		3,075,720	\$ 0.06804	\$ 209,272	\$ 0.07044	\$ 216,654
Prorated and corrected basic service charge billings				\$ 53		\$ 55
Prorated and corrected energy billings				\$ 314		\$ 325
				<b>\$ 248,011</b>		<b>\$ 256,749</b>
				Correction Factor		1.000000000
				<b>\$ 248,011</b>		<b>\$ 256,749</b>
Fuel Clause Billings - proforma for rollin				\$ 7,183		\$ 7,183
Adjustment to Reflect Year-End Customers				\$ 2,738		\$ 2,834
Adjustment to Reflect Removal of Base ECR Revenues				\$ (2,307)		\$ (185)
Adjustment to Reflect Elimination of ECR Plans				\$ 2,122		\$ -
<b>Total Base Revenues Net of ECR</b>				<b>\$ 257,747</b>		<b>\$ 266,581</b>
ECR Base Revenues				\$ 185		\$ 185
ECR Billings - proforma for rollin				\$ 1,474		\$ 1,474
<b>Total Base Revenues Inclusive of Base ECR</b>				<b>\$ 259,406</b>		<b>\$ 268,240</b>
<b>Proposed Increase</b>						<b>8,834</b>
			Percentage Increase			3.41%

Louisville Gas and Electric Company  
 Calculation of Settlement Lighting Rate Increases  
 Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>LIGHTING SERVICE -- PROPOSED RATE SHEET No. 35</b>									
<b>Overhead</b>									
<b>High Pressure Sodium</b>									
<b>Cobra Head, 16000 Lumen, Fixture Only</b>									
COBRA HEAD 16000L OHHP	LS 35.2	452	13,645	\$ 11.62	\$ 158,555	452	71,891	\$ 12.28	\$ 882,821
150 W HP SODIUM OUTDOOR LIGHT	RLS 36	222	5,957	\$ 12.63	\$ 75,237				
150 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	272	14,649	\$ 12.63	\$ 185,017				
150 W HP SODIUM OUTDOOR LIGHT	RLS 36.3	322	21,317	\$ 11.52	\$ 245,572				
150 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	372	16,323	\$ 11.52	\$ 188,041				
<b>Cobra Head, 28500 Lumen, Fixture Only</b>									
COBRA HEAD 28500L OHHP	LS 35.2	453	27,743	\$ 13.44	\$ 372,866	453	92,832	\$ 14.33	\$ 1,330,283
250 W HP SODIUM OUTDOOR LIGHT	RLS 36	211	4,478	\$ 14.97	\$ 67,036				
250 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	261	4,479	\$ 14.97	\$ 67,051				
250 W HP SODIUM OUTDOOR LIGHT	RLS 36.3	311	40,557	\$ 13.86	\$ 562,120				
250 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	361	15,575	\$ 13.86	\$ 215,870				
<b>Cobra Head, 50000 Lumen, Fixture Only</b>									
COBRA HEAD 50000L OHHP	LS 35.2	454	5,037	\$ 18.53	\$ 93,336	454	70,662	\$ 16.31	\$ 1,152,497
400 W HP SODIUM OUTDOOR LIGHT	RLS 36	212	9,196	\$ 16.34	\$ 150,263				
400 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	262	18,145	\$ 16.34	\$ 296,489				
400 W HP SODIUM OUTDOOR LIGHT	RLS 36.3	312	29,615	\$ 14.97	\$ 443,337				
400 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	362	8,669	\$ 14.97	\$ 129,775				
<b>Directional, 16000 Lumen, Fixture Only</b>									
DIRECTIONAL FLOOD 16000L OHHP	LS 35.2	455	1,193	\$ 13.23	\$ 15,783	455	4,897	\$ 13.23	\$ 64,787
150 W HP SODIUM FLOOD LIGHT	RLS 36	223	951	\$ 12.63	\$ 12,011				
150 W HP SODIUM FLOOD LIGHT AFTER JAN 1, 1991	RLS 36	273	2,549	\$ 12.63	\$ 32,194				
150 W HP SODIUM FLOOD LIGHT	RLS 36.3	323	96	\$ 13.85	\$ 1,330				
150 W HP SODIUM FLOOD LIGHT AFTER JAN 1, 1991	RLS 36.3	373	108	\$ 11.52	\$ 1,244				
<b>Directional, 50000 Lumen, Fixture Only</b>									
DIRECTIONAL FLOOD 50000L OHHP	LS 35.2	456	20,286	\$ 19.50	\$ 395,577	456	160,469	\$ 17.14	\$ 2,750,439
400 W HP SODIUM FLOOD LIGHT	RLS 36	213	34,804	\$ 16.34	\$ 568,697				
400 W HP SODIUM FLOOD LIGHT AFTER JAN 1, 1991	RLS 36	263	83,047	\$ 16.34	\$ 1,356,988				
400 W HP SODIUM FLOOD LIGHT	RLS 36.3	313	6,298	\$ 14.97	\$ 94,281				
400 W HP SODIUM FLOOD LIGHT AFTER JAN 1, 1991	RLS 36.3	363	16,034	\$ 14.97	\$ 240,029				
<b>Open Bottom, 9500 Lumen, Fixture Only</b>									
OPEN BOTTOM 9500L OHHP	LS 35.2	457	9,742	\$ 10.40	\$ 101,317	457	36,881	\$ 10.42	\$ 384,300
100 W HP SODIUM OUTDOOR LIGHT	RLS 36	205	2,268	\$ 10.00	\$ 22,680				
100 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	255	20,270	\$ 10.00	\$ 202,700				
100 W HP SODIUM OUTDOOR LIGHT	RLS 36.3	305	276	\$ 9.70	\$ 2,677				
100 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	355	4,325	\$ 9.70	\$ 41,953				

Louisville Gas and Electric Company  
 Calculation of Settlement Lighting Rate Increases  
 Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates	
<b>Metal Halide</b>										
<b>Directional, 12000 Lumen, Fixture Only</b>							470	177	\$ 12.27	\$ 2,172
Directional Fixture Only, 12,000	LS 35.3	470	177	\$ 11.85	\$ 2,097					
<b>Directional, 32000 Lumen, Fixture Only</b>						473	1,248	\$ 17.80	\$ 22,214	
Directional Fixture Only, 32,000	LS 35.3	473	1,248	\$ 17.19	\$ 21,453					
<b>Directional, 107800 Lumen, Fixture Only</b>						476	1,222	\$ 37.19	\$ 45,446	
Directional Fixture Only, 107,800	LS 35.3	476	1,222	\$ 35.92	\$ 43,894					
<b>Underground</b>										
<b>High Pressure Sodium</b>										
<b>Colonial, 4-Sided, 5800 Lumen, Smooth Pole</b>						412	2,125	\$ 19.42	\$ 41,268	
4 SIDED COLONIAL 5800L	LS 35	412	2,125	\$ 18.76	\$ 39,865					
<b>Colonial, 4-Sided, 9500 Lumen, Smooth Pole</b>						413	21,334	\$ 20.05	\$ 427,747	
4 SIDED COLONIAL 9500L	LS 35	413	21,334	\$ 19.36	\$ 413,026					
<b>Acorn, 5800 Lumen, Smooth Pole</b>						415	300	\$ 19.81	\$ 5,943	
ACORN 5800L	LS 35	415	300	\$ 19.13	\$ 5,739					
<b>Acorn, 9500 Lumen, Smooth Pole</b>						416	20,985	\$ 22.12	\$ 464,188	
ACORN 9500L	LS 35	416	20,985	\$ 21.36	\$ 448,240					
<b>London 5800 Lumen, Fluted Pole</b>						427	407	\$ 34.83	\$ 14,176	
LONDON (10' FLUTED POLE) 5800L	LS 35.1	427	407	\$ 33.64	\$ 13,691					
<b>London, 9500 Lumen, Fluted Pole</b>						429	2,534	\$ 35.63	\$ 90,286	
LONDON (10' FLUTED POLE) 9500L	LS 35.1	429	2,534	\$ 34.41	\$ 87,195					
<b>Victorian, 5800 Lumen, Fluted Pole</b>						431	663	\$ 32.56	\$ 21,587	
VICTORIAN (10' FLUTED POLE) 5800L	LS 35.1	431	663	\$ 31.45	\$ 20,851					
<b>Victorian, 9500 Lumen, Fluted Pole</b>						433	2,387	\$ 34.55	\$ 82,471	
VICTORIAN (10' FLUTED POLE) 9500L	LS 35.1	433	2,387	\$ 33.37	\$ 79,654					
<b>Victorian/London Bases -- Westchester</b>						956	7,116	\$ 3.56	\$ 25,333	
Old Town/Chesapeake/Franklin/Jefferson	LS 35.1	956	1,866	\$ 2.83	\$ 5,281					
Norfolk	LS 35.1	957	558	\$ 3.00	\$ 1,674					
Norfolk	RLS 36.4	963	1,581	\$ 3.81	\$ 6,024					
Jefferson	RLS 36.1	952	2,109	\$ 3.62	\$ 7,635					
Norfolk	RLS 36.1	953	1,002	\$ 3.81	\$ 3,818					

Louisville Gas and Electric Company  
Calculation of Settlement Lighting Rate Increases  
Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>Cobra Head, 16000 Lumen, Smooth Pole</b>						423	274	\$ 25.81	\$ 7,072
COBRA HEAD 16000L UGHPS	LS 35	423	274	\$ 24.93	\$ 6,831				
<b>Cobra Head, 28500 Lumen, Smooth Pole</b>						424	2,359	\$ 27.69	\$ 65,321
COBRA HEAD 28500L UGHPS	LS 35	424	2,359	\$ 26.74	\$ 63,080				
<b>Cobra Head, 50000 Lumen, Smooth Pole</b>						425	360	\$ 32.96	\$ 11,866
COBRA HEAD 50000L UGHPS	LS 35	425	360	\$ 31.83	\$ 11,459				
<b>Contemporary Fixture only, 16000 Lumen</b>						439	-	\$ 15.92	\$ -
CONTEMPORARY 16000L -- Fixture only	LS 35	439	-	\$ 15.38	\$ -				
<b>Contemporary Fixture with Pole, 16000 Lumen</b>						420	728	\$ 29.35	\$ 21,367
CONTEMPORARY 16000L	LS 35	420	728	\$ 28.35	\$ 20,639				
<b>Contemporary Fixture only, 28500 Lumen</b>						440	2	\$ 17.52	\$ 35
CONTEMPORARY 28500L -- Fixture only	LS 35	440	2	\$ 16.92	\$ 34				
<b>Contemporary Fixture with Pole, 28500 Lumen</b>						421	1,967	\$ 32.10	\$ 63,141
CONTEMPORARY 28500L	LS 35	421	1,967	\$ 31.00	\$ 60,977				
<b>Contemporary Fixture only, 50000 Lumen</b>						441	23	\$ 21.25	\$ 489
CONTEMPORARY 50000L -- fixture only	LS 35	441	23	\$ 20.52	\$ 472				
<b>Contemporary Fixture with Pole, 50000 Lumen</b>						422	3,962	\$ 37.32	\$ 147,862
CONTEMPORARY 50000L	LS 35	422	3,962	\$ 36.04	\$ 142,790				
<b>Dark Sky, 4000 Lumen, Smooth Pole</b>						400	84	\$ 23.44	\$ 1,969
HPS Dark Sky Friendly 4000 Lumen	DSK 39	400	84	\$ 22.64	\$ 1,902				
<b>Dark Sky, 9500 Lumen, Smooth Pole</b>						401	-	\$ 24.46	\$ -
HPS Dark Sky Friendly 9500 Lumen	DSK 39	401	-	\$ 23.62	\$ -				
<b>Metal Halide</b>									
<b>Contemporary Fixture only, 12000 Lumen</b>						479	-	\$ 13.54	\$ -
Contemporary Fixture Only, 12,000	LS 35.3	479	-	\$ 13.08	\$ -				
<b>Contemporary Fixture with Pole, 12000 Lumen</b>						480	54	\$ 23.31	\$ 1,259
Contemporary Fixture with Direct Buried Metal Pole, 12,000	LS 35.3	480	54	\$ 22.51	\$ 1,216				
<b>Contemporary Fixture only, 32000 Lumen</b>						481	24	\$ 19.58	\$ 470
Contemporary Fixture Only, 32,000	LS 35.3	481	24	\$ 18.91	\$ 454				
<b>Contemporary Fixture with Pole, 32000 Lumen</b>						482	166	\$ 29.33	\$ 4,869
Contemporary Fixture with Direct Buried Metal Pole, 32,000	LS 35.3	482	166	\$ 28.33	\$ 4,703				
<b>Contemporary Fixture only, 107800 Lumen</b>						483	24	\$ 40.15	\$ 964
Contemporary Fixture Only, 107,800	LS 35.3	483	24	\$ 38.78	\$ 931				
<b>Contemporary Fixture with Pole, 107800 Lumen</b>						484	156	\$ 49.90	\$ 7,784
Contemporary Fixture with Direct Buried Metal Pole, 107,800	LS 35.3	484	156	\$ 48.19	\$ 7,518				

Louisville Gas and Electric Company  
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>RESTRICTED LIGHTING SERVICE -- PROPOSED RATE SHEET No. 36</b>									
<b>Overhead</b>									
<b>Mercury Vapor</b>									
<b>Cobra/Open Bottom, 8000 Lumen, Fixture Only</b>									
175 W MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	252	996	\$ 10.37	\$ 10,326	252	55,834	\$ 9.06	\$ 505,856
175 W MERCURY OUTDOOR LIGHT	RLS 36.3	302	24,780	\$ 8.40	\$ 208,152				
OPEN BOTTOM 8000L MV	LS 35.2	462	198	\$ 10.00	\$ 1,980				
175 W MERCURY OUTDOOR LIGHT	RLS 36	202	29,801	\$ 8.97	\$ 267,315				
175 W MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	352	59	\$ 10.19	\$ 601				
<b>Cobra Head, 8000 Lumen, Fixture Only</b>									
COBRA HEAD 8000L MV	LS 35.2	458	60	\$ 10.26	\$ 616	458	60	\$ 10.62	\$ 637
<b>Cobra Head, 13000 Lumen, Fixture Only</b>									
COBRA HEAD 13000L MV	LS 35.2	459	284	\$ 11.74	\$ 3,334	203	56,246	\$ 10.28	\$ 578,209
250 W MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	253	571	\$ 11.80	\$ 6,738				
250 W MERCURY OUTDOOR LIGHT	RLS 36	203	14,338	\$ 10.33	\$ 148,112				
250 W MERCURY OUTDOOR LIGHT	RLS 36.3	303	40,423	\$ 9.72	\$ 392,912				
250 W MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	353	630	\$ 11.61	\$ 7,314				
<b>Cobra Head, 25000 Lumen, Fixture Only</b>									
COBRA HEAD 25000L MV	LS 35.2	460	273	\$ 15.18	\$ 4,144	204	56,656	\$ 12.51	\$ 708,767
400 W MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	254	441	\$ 14.39	\$ 6,346				
400 W MERCURY OUTDOOR LIGHT	RLS 36	204	9,153	\$ 12.78	\$ 116,975				
400 W MERCURY OUTDOOR LIGHT	RLS 36.3	304	46,384	\$ 11.88	\$ 551,042				
400 W MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	354	405	\$ 14.19	\$ 5,747				
<b>Cobra Head, 60000 Lumen, Fixture Only</b>									
1000 W MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	259	106	\$ 26.68	\$ 2,828	209	641	\$ 25.29	\$ 16,211
1000 W MERCURY OUTDOOR LIGHT	RLS 36.3	309	24	\$ 22.72	\$ 545				
1000 W MERCURY OUTDOOR LIGHT	RLS 36	209	511	\$ 24.04	\$ 12,284				

Louisville Gas and Electric Company  
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>Directional, 25000 Lumen, Fixture Only</b>						207	<b>10,602</b>	<b>\$ 14.54</b>	<b>\$ 154,153</b>
DIRECTIONAL FLOOD 25000L MV	LS 35.2	461	1,980	\$ 16.53	\$ 32,729				
400 W MERCURY FLOOD LIGHT AFTER JAN 1, 1991	RLS 36	257	1,982	\$ 14.39	\$ 28,521				
400 W MERCURY FLOOD LIGHT	RLS 36	207	5,842	\$ 12.78	\$ 74,661				
400 W MERCURY FLOOD LIGHT AFTER JAN 1, 1991	RLS 36.3	357	38	\$ 14.19	\$ 539				
400 W MERCURY OUTDOOR LIGHT Metal Pole	RLS 36.3	307	760	\$ 16.39	\$ 12,456				
<b>Directional, 60000 Lumen, Fixture Only</b>						210	<b>5,662</b>	<b>\$ 26.49</b>	<b>\$ 149,986</b>
1000 W MERCURY FLOOD LIGHT AFTER JAN 1, 1991	RLS 36	260	3,125	\$ 26.81	\$ 83,781				
1000 W MERCURY FLOOD LIGHT	RLS 36	210	2,333	\$ 24.04	\$ 56,085				
1000 W MERCURY FLOOD LIGHT	RLS 36.3	310	108	\$ 22.72	\$ 2,454				
1000 W MERCURY FLOOD LIGHT AFTER JAN 1, 1991	RLS 36.3	360	96	\$ 26.43	\$ 2,537				
<b>Open Bottom, 4000 Lumen, Fixture Only</b>						201	<b>1,023</b>	<b>\$ 7.82</b>	<b>\$ 8,000</b>
100 W MERCURY OUTDOOR LIGHT	RLS 36	201	496	\$ 7.92	\$ 3,928				
100 W MERCURY OUTDOOR LIGHT	RLS 36.3	301	527	\$ 7.20	\$ 3,794				
<b>Metal Halide</b>									
<b>Directional, 12000 Lumen, Fixture and Wood Pole</b>						471	<b>16</b>	<b>\$ 14.55</b>	<b>\$ 233</b>
Directional Fixture with Wood Pole, 12,000	LS 35.3	471	16	\$ 14.05	\$ 225				
<b>Directional, 32000 Lumen, Fixture and Wood Pole</b>						474	<b>173</b>	<b>\$ 20.09</b>	<b>\$ 3,476</b>
Directional Fixture with Wood Pole, 32,000	LS 35.3	474	173	\$ 19.40	\$ 3,356				
<b>Directional, 32000 Lumen, Fixture and Metal Pole</b>						475	<b>12</b>	<b>\$ 27.54</b>	<b>\$ 330</b>
Directional Fixture with Direct Buried Metal Pole, 32,000	LS 35.3	475	12	\$ 26.60	\$ 319				
<b>Directional, 107800 Lumen, Fixture and Wood Pole</b>						477	<b>132</b>	<b>\$ 40.37</b>	<b>\$ 5,329</b>
Directional Fixture with Wood Pole, 107,800	LS 35.3	477	132	\$ 38.99	\$ 5,147				
<b>Wood Pole</b>									
<b>After July 1, 2004</b>						958	<b>4,692</b>	<b>\$ 11.31</b>	<b>\$ 53,067</b>
Wood Pole Installed After June 30, 2004	LS 35.2	958	4,692	\$ 10.92	\$ 51,237				
Wood Pole Installed After June 30, 2004	LS 35.2	910	2,571	\$ 1.99	\$ 5,116		<b>2,571</b>	<b>\$ 2.06</b>	<b>\$ 5,296</b>
<b>Pre-1991</b>						900	<b>83,465</b>	<b>\$ 2.06</b>	<b>\$ 171,938</b>
Wood Pole Installed Before July 1, 2004	RLS 36.1	900	83,465	\$ 1.99	\$ 166,095				



Louisville Gas and Electric Company  
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>Underground</b>									
<b>High Pressure Sodium</b>									
<b>Cobra/Contemporary, 16000 Lumen, Fixture Only</b>									
150 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	275	4,480	\$ 23.52	\$ 105,370	275	6,477	\$ 24.35	\$ 157,715
150 W UG HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	375	1,686	\$ 23.50	\$ 39,621				
150 W HP SODIUM OUTDOOR LIGHT	RLS 36	225	-	\$ 23.52	\$ -				
150 W UG HP SODIUM OUTDOOR LIGHT	RLS 36.3	325	311	\$ 23.50	\$ 7,309				
<b>Cobra/Contemporary, 28500 Lumen, Fixture Only</b>									
250 W UG HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	266	5,667	\$ 27.14	\$ 153,802	266	23,762	\$ 26.59	\$ 631,832
250 W HP SODIUM LIGHT METAL POLE AFTER JAN 1, 1991	RLS 36.3	370	1,118	\$ 25.20	\$ 28,174				
250 W UG HP SODIUM OUTDOOR LIGHT	RLS 36	216	272	\$ 27.14	\$ 7,382				
250 W UG HP SODIUM OUTDOOR LIGHT	RLS 36.3	316	13,431	\$ 25.20	\$ 338,461				
250 W UG HP SODIUM LIGHT METAL POLE	RLS 36.3	320	-	\$ 25.20	\$ -				
250 W UG HP SODIUM State of Ky Pole	RLS 36.3	346	-	\$ 22.27	\$ -				
250 W UG HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	366	3,274	\$ 25.20	\$ 82,505				
<b>Cobra/Contemporary, 50000 Lumen, Fixture Only</b>									
400 W UG HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	267	17,654	\$ 30.31	\$ 535,093	267	28,343	\$ 30.33	\$ 859,643
400 W HP SODIUM LIGHT METAL POLE AFTER JAN 1, 1991	RLS 36.3	371	403	\$ 27.49	\$ 11,078				
400 W UG HP SODIUM OUTDOOR LIGHT	RLS 36	217	504	\$ 30.31	\$ 15,276				
400 W UG HP SODIUM OUTDOOR LIGHT	RLS 36.3	317	6,321	\$ 27.49	\$ 173,764				
400 W HP SODIUM LIGHT METAL POLE	RLS 36.3	321	24	\$ 27.49	\$ 660				
400 W UG HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	367	3,437	\$ 27.49	\$ 94,483				
<b>Coach Acorn, 5800 Lumen, Fixture Only</b>									
70 W HP SODIUM LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36	276	13,840	\$ 13.30	\$ 184,072	276	16,108	\$ 13.78	\$ 221,968
70 W HP SODIUM LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36.3	376	2,268	\$ 13.39	\$ 30,369				
70 W HP SODIUM LIGHT TOP MOUNT	RLS 36	226	-	\$ 13.30	\$ -				
<b>Coach Acorn, 9500 Lumen, Fixture Only</b>									
100 W HP SODIUM LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36	274	108,312	\$ 17.68	\$ 1,914,956	274	207,407	\$ 16.73	\$ 3,469,919
100W HP SODIUM LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36.3	374	65,772	\$ 13.99	\$ 920,150				
100 W HP SODIUM LIGHT TOP MOUNT	RLS 36	224	14,323	\$ 17.49	\$ 250,509				
100W HP SODIUM LIGHT TOP MOUNT	RLS 36.3	324	19,000	\$ 13.99	\$ 265,810				
<b>Coach Acorn, 16000 Lumen, Fixture Only</b>									
150 W HP SODIUM LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36	277	11,025	\$ 21.08	\$ 232,407	277	23,932	\$ 21.61	\$ 517,171
4 SIDED COLONIAL 16000L	LS 35	414	4,056	\$ 20.36	\$ 82,580				
ACORN 16000L	LS 35	418	2,631	\$ 22.27	\$ 58,592				
150 W UG HP SODIUM LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36.3	377	6,220	\$ 20.25	\$ 125,955				

Louisville Gas and Electric Company  
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>Contemporary, 120000 Lumen, Fixture Only</b>						279	132	\$ 38.88	\$ 5,132
1000 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	279	108	\$ 38.35	\$ 4,142				
1000 W HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	379	24	\$ 33.92	\$ 814				
<b>Contemporary, 120000 Lumen, Fixture and Pole</b>						278	204	\$ 70.00	\$ 14,280
1000 W UG HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36	278	180	\$ 68.13	\$ 12,263				
1000 W UG HP SODIUM OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	378	24	\$ 63.70	\$ 1,529				
<b>Acorn, 9500 Lumen, Bronze Decorative Pole</b>						417	288	\$ 23.24	\$ 6,693
ACORN 9500L BRONZE POLE	LS 35	417	288	\$ 22.44	\$ 6,463				
<b>Acorn, 16000 Lumen, Bronze Decorative Pole</b>						419	720	\$ 24.10	\$ 17,352
ACORN 16000L BRONZE POLE	LS 35	419	720	\$ 23.28	\$ 16,762				
<b>Victorian, 5800 Lumen, Fixture Only</b>						280	552	\$ 18.99	\$ 10,482
70 W HP SODIUM ACORN/DECO BASKET	RLS 36.1	280	420	\$ 18.45	\$ 7,749				
70 W HP SODIUM ACORN/DECO BASKET	RLS 36.4	380	132	\$ 18.00	\$ 2,376				
<b>Victorian, 9500 Lumen, Fixture Only</b>						281	3,140	\$ 19.89	\$ 62,455
100 W HP SODIUM ACORN/DECO BASKET	RLS 36.1	281	1,652	\$ 19.48	\$ 32,181				
100W HP SODIUM ACORN/DECO BASKET	RLS 36.4	381	1,488	\$ 18.91	\$ 28,138				
<b>London, 5800 Lumen, Fixture Only</b>						282	1,272	\$ 19.14	\$ 24,346
70 W HP SODIUM 80SIDED COACH	RLS 36.1	282	840	\$ 18.63	\$ 15,649				
70 W HP SODIUM 80SIDED COACH	RLS 36.4	382	432	\$ 18.21	\$ 7,867				
<b>London, 9500 Lumen, Fixture Only</b>						283	984	\$ 20.36	\$ 20,034
100 W HP SODIUM 80SIDED COACH	RLS 36.1	283	888	\$ 19.68	\$ 17,476				
100W HP SODIUM 80SIDED COACH	RLS 36.4	383	96	\$ 19.51	\$ 1,873				

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>London, 5800 Lumen, Fixture and Pole</b>						426	<b>380</b>	<b>\$ 32.85</b>	<b>\$ 12,483</b>
LONDON (10' SMOOTH POLE) 5800L	LS 35.1	426	380	\$ 31.73	\$ 12,057				
<b>London, 9500 Lumen, Fixture and Pole</b>						428	<b>1,863</b>	<b>\$ 33.65</b>	<b>\$ 62,690</b>
LONDON (10' SMOOTH POLE) 9500L	LS 35.1	428	1,863	\$ 32.50	\$ 60,548				
<b>Victorian, 5800 Lumen, Fixture and Pole</b>						430	<b>156</b>	<b>\$ 31.89</b>	<b>\$ 4,975</b>
VICTORIAN (10' SMOOTH POLE) 5800L	LS 35.1	430	156	\$ 30.80	\$ 4,805				
<b>Victorian, 9500 Lumen, Fixture and Pole</b>						432	<b>108</b>	<b>\$ 33.89</b>	<b>\$ 3,660</b>
VICTORIAN (10' SMOOTH POLE) 9500L	LS 35.1	432	108	\$ 32.73	\$ 3,535				
<b>Victorian/London Bases, Old Town</b>						950	<b>495</b>	<b>\$ 3.47</b>	<b>\$ 1,718</b>
Chesapeake/Franklin Base	LS 35.1	954	-	\$ 2.83	\$ -				
Old Town/Manchester	RLS 36.4	960	120	\$ 3.35	\$ 402				
Old Town/Manchester	RLS 36.1	950	375	\$ 3.35	\$ 1,256				
<b>Victorian/London Bases, Chesapeake</b>						951	<b>2,599</b>	<b>\$ 3.73</b>	<b>\$ 9,694</b>
Chesapeake/Franklin Base	RLS 36.1	951	1,765	\$ 3.60	\$ 6,354				
Jefferson/Westchester	LS 35.1	955	-	\$ 2.83	\$ -				
Chesapeake/Franklin Base	RLS 36.4	961	36	\$ 3.60	\$ 130				
Jefferson/Westchester	RLS 36.4	962	798	\$ 3.62	\$ 2,889				
<b>Smooth 10' Pole</b>						901	<b>2,021</b>	<b>\$ 10.81</b>	<b>\$ 21,847</b>
10' Smooth Pole	RLS 36.1	901	2,021	\$ 10.44	\$ 21,099				
10' Smooth Pole	RLS 36.4	911	-	\$ 10.44	\$ -				
<b>Fluted 10' Pole</b>						902	<b>3,311</b>	<b>\$ 12.90</b>	<b>\$ 42,712</b>
10' Fluted Pole	RLS 36.1	902	3,275	\$ 12.46	\$ 40,807				
10' Fluted Pole	RLS 36.4	912	36	\$ 12.46	\$ 449				

Louisville Gas and Electric Company  
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates	
<b>Mercury Vapor</b>										
<b>Cobra Head, 8000 Lumen, Fixture with Pole</b>							318	758 \$	16.91 \$	12,818
COBRA HEAD 8000L UGMV	LS 35.1	436	-	\$ 21.99	\$ -					
175 W UG MERCURY LIGHT METAL POLE	RLS 36.3	318	758	\$ 16.33	\$ 12,378					
175 W UG MERCURY LIGHT METAL POLE	RLS 36.3	368	-	\$ 23.27	\$ -					
<b>Cobra Head, 13000 Lumen, Fixture with Pole</b>							314	7,569 \$	18.52 \$	140,178
COBRA HEAD 13000L UGMV	LS 35.1	437	3	\$ 23.46	\$ 70					
250 W UG MERCURY OUTDOOR LIGHT	RLS 36.3	314	7,338	\$ 17.69	\$ 129,809					
250 W UG MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	364	228	\$ 24.20	\$ 5,518					
<b>Cobra Head, 25000 Lumen, Fixture with Pole</b>							315	5,936 \$	21.95 \$	130,295
COBRA HEAD 25000L UGMV	LS 35.1	438	62	\$ 26.91	\$ 1,668					
400 W UG MERCURY OUTDOOR LIGHT	RLS 36.3	315	5,827	\$ 21.09	\$ 122,891					
400 W UG MERCURY OUTDOOR LIGHT AFTER JAN 1, 1991	RLS 36.3	365	47	\$ 27.33	\$ 1,285					
400 W UG MERCURY LIGHT METAL POLE AFTER JAN 1, 1991	RLS 36.3	369	-	\$ 27.33	\$ -					
<b>Cobra Head, 25000 Lumen, State of Ky Pole</b>							347	- \$	21.94 \$	-
400 W UG MERCURY LIGHT METAL POLE	RLS 36.3	319	-	\$ 21.19	\$ -					
<b>Coach, 4000 Lumen, Fixture with Pole</b>							206	1,334 \$	12.13 \$	16,181
4 SIDED COLONIAL 4000L UGMV	LS 35.1	434	12	\$ 16.35	\$ 196					
100 W MERCURY LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36	256	-	\$ 13.15	\$ -					
100 W MERCURY LIGHT TOP MOUNT	RLS 36	206	322	\$ 13.16	\$ 4,238					
100W MERCURY LIGHT TOP MOUNT (UG)	RLS 36.3	306	1,000	\$ 11.20	\$ 11,200					
100W MERCURY LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36.3	356	-	\$ 13.89	\$ -					
<b>Coach, 8000 Lumen, Fixture with Pole</b>							208	19,540 \$	13.73 \$	268,284
4 SIDED COLONIAL 8000L UGMV	LS 35.1	435	398	\$ 18.02	\$ 7,172					
175 W MERCURY LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36	258	2,302	\$ 15.03	\$ 34,599					
175 W MERCURY LIGHT TOP MOUNT	RLS 36	208	5,281	\$ 14.06	\$ 74,251					
175 W MERCURY LIGHT TOP MOUNT (UG)	RLS 36.3	308	11,211	\$ 12.30	\$ 137,895					
175 W MERCURY LIGHT TOP MOUNT AFTER JAN 1, 1991	RLS 36.3	358	348	\$ 14.83	\$ 5,161					

Louisville Gas and Electric Company  
 Calculation of Settlement Lighting Rate Increases  
 Based on Sales for the Twelve Months Ended March 31, 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Existing Tariff Sheet	Existing Bill Code	Total Lights	Present Rates	Calculated Revenue at Present Rates	Proposed Bill Code	Total Lights	Settlement Rates	Calculated Revenue at Settlement Rates
<b>Incandescent</b>									
<b>Tear Drop, 1500 Lumen, Fixture Only</b>									
100W 1500 Lumen Incandescent	RLS 36.4	349	204	\$ 8.42	\$ 1,718	349	204	\$ 8.72	\$ 1,779
<b>Tear Drop, 6000 Lumen, Fixture Only</b>									
300W 6000 Lumen Incandescent	RLS 36.4	348	493	\$ 11.76	\$ 5,798	348	493	\$ 12.18	\$ 6,005
<b>Total Revenue</b>			1,145,489		\$ 16,667,298		1,145,489		\$ 17,258,255
Partial month billings					\$ 178,963				\$ 172,835
					<b>Total Calculated at Base Rates</b>				\$ 17,431,090
					Correction Factor				1.00000000
					<b>Total After Application of Correction Factor</b>				\$ 17,431,090
Fuel Clause Billings - proforma for rollin					\$ 246,666				\$ 246,666
Adjustment to Reflect Year-End Customers					\$ 179,114				\$ 185,332
Adjustment to Reflect Removal of Base ECR Revenues					\$ (191,925)				\$ (15,327)
Adjustment to Reflect Elimination of ECR Plans					\$ 176,598				\$ -
					<b>Total Base Revenues Net of ECR</b>				<b>\$ 17,847,761</b>
ECR Base Revenues					\$ 15,327				\$ 15,327
ECR Billings - proforma for rollin					\$ 118,074				\$ 118,074
					<b>Total Base Revenues Inclusive of Base ECR</b>				<b>\$ 17,981,162</b>
<b>Proposed Increase</b>									\$ 591,047 3.40%

**Settlement Agreement Exhibit 3**  
**LG&E Gas Rate Allocation**

**Louisville Gas and Electric Company**  
**Summary of Settlement Rate Increase**  
**Based on Billing Determinants for the 12 Months Ended March 31, 2012**

<b>Rate Class</b>	<b>Total Current Revenue</b>	<b>Increase</b>	<b>Percentage Change</b>
Residential Gas Service - Rate RGS	\$ 157,968,420	\$ 11,518,439	7.29%
Commercial Gas Service - Rate CGS	62,664,972	3,761,891	6.00%
Industrial Gas Service - Rate IGS	4,668,469	229,052	4.91%
As-Available Gas Service - Rate AAGS	1,505,655	30,420	2.02%
Total Firm Transportation Service (Non-Standby) Rate FT	5,161,038	153,005	2.96%
Total Rate PS-FT	62,025	-	0.00%
Special Contract - Intra-Company Sales	5,985,804	443,448	7.41%
Special Contract - Intra-Company Transportation	1,298,943	(0)	0.00%
Special Contract	179,114	2,040	1.14%
Subtotal Sales to Ultimate Consumers and Inter-Company	<u>\$ 239,494,439</u>	<u>\$ 16,138,296</u>	<u>6.74%</u>
Special Contract - terminated effective November 1, 2012	-		
Late Payment Charge	2,474,416	(1,137,603) (1)	
Miscellaneous Revenue	332,763	(1,515)	
Total Sales to Ultimate Consumers and Inter-Company	<u>\$ 242,301,619</u>	<u>\$ 14,999,178</u>	<u>6.19%</u>

(1) Revised LPC 5% - 3%

LOUISVILLE GAS AND ELECTRIC COMPANY  
 CALCULATIONS OF SETTLEMENT RATE INCREASE  
 FOR 12-MONTHS ENDED MARCH 31, 2012

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates	Settlement Rates	
						Unit Charges	Calculated Revenue
<b><u>RATE RGS:</u></b>							
<b>Residential Gas Service Rate RGS</b>							
Basic Service Charge for the 12-Month Period	3,492,362			\$ 12.50	\$ 43,654,525	\$ 13.50	\$ 47,146,887
Distribution Cost Component (MCF)		17,455,191		\$ 2.23960	\$ 39,092,645	\$ 2.64190	\$ 46,114,868
Billing Adjustments					\$ (19,383)		\$ (21,846)
<b>Subtotal</b>		<b>17,455,191</b>			<b>\$ 82,727,787</b>		<b>\$ 93,239,909</b>
Correction Factor				1.000000		1.000000	
<b>Subtotal Rate RGS after application of Correction Factor</b>					<b>\$ 82,727,787</b>		<b>\$ 93,239,909</b>
Temperature Normalization Adjustment to Reflect Year-End Customers		2,416,567 59,061		\$ 2.23960	\$ 5,412,143 \$ 261,960	\$ 2.64190	\$ 6,384,328 \$ 296,092
GSC at Current (May 2012 to July 2012) Charges		19,930,819		\$ 3.49040	\$ 69,566,530	\$ 3.49040	\$ 69,566,530
<b>Total Residential Gas Service Rate RGS</b>		<b>19,930,819</b>			<b>\$ 157,968,420</b>		<b>\$ 169,486,859</b>
Proposed Increase in Revenue							11,518,439 7.29%



LOUISVILLE GAS AND ELECTRIC COMPANY  
 CALCULATIONS OF SETTLEMENT RATE INCREASE  
 FOR 12-MONTHS ENDED MARCH 31, 2012

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates	Settlement Rates	
						Unit Charges	Calculated Revenue
<b><u>RATE CGS:</u></b>							
<b>Firm Commercial Gas Service Rate CGS</b>							
Customers for the 12-Month Period							
Basic Service Charge (meters < 5000 cfh)	295,931			\$ 30.00	\$ 8,877,930	\$ 35.00	\$ 10,357,585
Basic Service Charge (meters 5000 cfh or >)	12,650			\$ 170.00	\$ 2,150,500	\$ 175.00	\$ 2,213,750
Distribution Cost Component							
On Peak Mcf		7,881,220		\$ 1.87220	\$ 14,755,220	\$ 2.09990	\$ 16,549,774
Off Peak Mcf			960,316	\$ 1.37220	\$ 1,317,745	\$ 1.59990	\$ 1,536,409
Billing Adjustments					\$ (3,102)		\$ (3,509)
<b>Gas Transportation Service/Standby Rider to Rate CGS</b>							
Administrative Charges	7			\$ 153.00	\$ 1,071.00	\$ 400.00	\$ 2,800.00
Distribution Cost Component							
On Peak Mcf		0		\$ 1.87220	\$ -	\$ 2.09990	\$ -
Off Peak Mcf			0	\$ 1.37220	\$ -	\$ 1.59990	\$ -
<b>Subtotal</b>		<b>7,881,220</b>	<b>960,316</b>		<b>\$ 27,099,364</b>		<b>\$ 30,656,809</b>
Correction Factor				1.000000		1.000000	
<b>Subtotal Rate CGS after application of Correction Factor</b>					<b>\$ 27,099,364</b>		<b>\$ 30,656,809</b>
Temperature Normalization		838,152		\$ 1.87220	\$ 1,569,187	\$ 2.09990	\$ 1,760,034
Adjustment to Reflect Year-End Customers		42,078			\$ 124,624		\$ 140,918
<b>Adjustment for Rate Switching</b>							
Basic Service Chg 12-months	(12)			\$ 170.00	\$ (2,040)	\$ 175.00	\$ (2,100)
On-Peak MCF 12-months		(5,502)		\$ 1.87220	\$ (10,301)	\$ 2.09990	\$ (11,554)
Off-Peak MCF Apr11-Oct11			(6,069)	\$ 1.37220	\$ (8,327)	\$ 1.59990	\$ (9,709)
GSC at Current (May 2012 to July 2012) Charges		9,710,195		\$ 3.49040	\$ 33,892,465	\$ 3.49040	\$ 33,892,465
GSC at Current - Pipeline Suppliers Demand		0		\$ 0.88000	\$ -	\$ 0.88000	\$ -
<b>Total Commercial Gas Service Rate CGS</b>		<b>9,710,195</b>			<b>\$ 62,664,972</b>		<b>\$ 66,426,863</b>
Proposed Increase in Revenue							3,761,891 6.00%

LOUISVILLE GAS AND ELECTRIC COMPANY  
 CALCULATIONS OF SETTLEMENT RATE INCREASE  
 FOR 12-MONTHS ENDED MARCH 31, 2012

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates	Settlement Rates	
						Unit Charges	Calculated Revenue
<b><u>RATE IGS:</u></b>							
<b>Firm Industrial Gas Service Rate IGS</b>							
Customers for the 12-Month Period							
Basic Service Charge (meters < 5000 cfh)	1,358			\$ 30.00	\$ 40,740	\$ 35.00	\$ 47,530
Basic Service Charge (meters 5000 cfh or >)	1,229			\$ 170.00	\$ 208,930	\$ 175.00	\$ 215,075
Distribution Cost Component							
On Peak Mcf		500,686		\$ 1.90220	\$ 952,405	\$ 2.14520	\$ 1,074,072
Off Peak Mcf			291,665	\$ 1.40220	\$ 408,973	\$ 1.64520	\$ 479,848
Billing Adjustments					\$ (36)		\$ (41)
<b>Gas Transportation Service/Standby Rider to Rate IGS</b>							
Administrative Charges	24			\$ 153.00	\$ 3,672	\$ 400.00	\$ 9,600
Distribution Cost Component							
On Peak Mcf		23,199		\$ 1.90220	\$ 44,129	\$ 2.14520	\$ 49,766
Off Peak Mcf			26,214	\$ 1.40220	\$ 36,758	\$ 1.64520	\$ 43,128
<b>Subtotal</b>		<b>523,885</b>	<b>317,880</b>		<b>\$ 1,695,570</b>		<b>\$ 1,918,977</b>
Correction Factor				1.000000		1.000000	
<b>Subtotal Rate IGS after application of Correction Factor</b>					<b>\$ 1,695,570</b>		<b>\$ 1,918,977</b>
Temperature Normalization Adjustment to Reflect Year-End Customers		60,046 (4,030)		\$ 1.90220 \$	\$ 114,219 (8,417)	\$ 2.14520 \$	\$ 128,810 (8,417)
<b>Adjustment for Rate Switching</b>							
Basic Service Chg 12-months	(12)			\$ 170.00	\$ (2,040)	\$ 175.00	\$ (2,100)
On-Peak MCF 12-months		(11,643)		\$ 1.90220	\$ (22,147)	\$ 2.14520	\$ (24,976)
Off-Peak MCF Apr11-Oct11			(12,730)	\$ 1.40220	\$ (17,850)	\$ 1.64520	\$ (20,944)
Administrative Charge 12-months	(12)			\$ 153.00	\$ (1,836)	\$ 400.00	\$ (4,800)
GSC at Current (May 2012 to July 2012) Charges		820,706		\$ 3.49040	\$ 2,864,592	\$ 3.49040	\$ 2,864,592
GSC at Current - Pipeline Suppliers Demand		52,701		\$ 0.88000	\$ 46,377	\$ 0.88000	\$ 46,377
<b>Total Industrial Gas Service Rate IGS</b>		<b>873,407</b>			<b>\$ 4,668,469</b>		<b>\$ 4,897,520</b>
Proposed Increase in Revenue							229,052 4.91%

LOUISVILLE GAS AND ELECTRIC COMPANY  
CALCULATIONS OF SETTLEMENT RATE INCREASE  
FOR 12-MONTHS ENDED MARCH 31, 2012

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates	Settlement Rates	
						Unit Charges	Calculated Revenue
<b><u>RATE AAGS:</u></b>							
<b>As Available Gas Service Rate AAGS</b>							
Basic Service Charge for the 12-Month Period	164			\$ 275.00	\$ 45,100	\$ 275.00	\$ 45,100
Distribution Cost Component		343,961		\$ 0.52520	\$ 180,648	\$ 0.60860	\$ 209,335
Billing Adjustments					\$ 165		\$ 186
<b>Subtotal</b>		<b>343,961</b>			<b>\$ 225,913</b>		<b>\$ 254,621</b>
Correction Factor				1.000000		1.000000	
<b>Subtotal Rate AAGS after application of Correction Factor</b>					<b>\$ 225,913</b>		<b>\$ 254,621</b>
Temperature Normalization Adjustment to Reflect Year-End Customers		35,305 0		\$ 0.52520 \$	\$ 18,542 -	\$ 0.60860 \$	\$ 21,487 -
<b>Adjustment for Rate Switching</b>							
Basic Service Chg 12-months	(12)			\$ 275.00	\$ (3,300)	\$ 275.00	\$ (3,300)
On-Peak MCF 12-months		(14,765)		\$ 0.52520	\$ (7,755)	\$ 0.60860	\$ (8,986)
GSC at Current (May 2012 to July 2012) Charges		364,501		\$ 3.49040	\$ 1,272,254	\$ 3.49040	\$ 1,272,254
GSC at Current - Pipeline Suppliers Demand		0		\$ 0.88000	\$ -	\$ 0.88000	\$ -
<b>Total As Available Gas Service Rate AAGS</b>					<b>\$ 1,505,655</b>		<b>\$ 1,536,075</b>
Proposed Increase in Revenue							30,420 2.02%

LOUISVILLE GAS AND ELECTRIC COMPANY  
 CALCULATIONS OF SETTLEMENT RATE INCREASE  
 FOR 12-MONTHS ENDED MARCH 31, 2012

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates	Settlement Rates	
						Unit Charges	Calculated Revenue
<b><u>RATE FT:</u></b>							
<b>Firm Transportation Service (Non-Standby) Rate FT</b>							
Administrative Charges	876			\$ 230.00	\$ 201,480	\$ 400.00	\$ 350,400
Distribution Cost Component		10,079,083		\$ 0.43000	\$ 4,334,006	\$ 0.43000	\$ 4,334,006
Sales		4,013		\$ 0.43000	\$ 1,725	\$ 0.43000	\$ 1,726
Utilization Charge for Daily Imbalances:							
Daily Storage Charge		926,436		\$ 0.18330	\$ 169,816	\$ 0.18330	\$ 169,816
Billing Adjustments					\$ 153		\$ 158
<b>Subtotal</b>					<b>\$ 4,707,180</b>		<b>\$ 4,856,105</b>
Correction Factor				1.000000		1.000000	
<b>Subtotal Rate FT after application of Correction Factor</b>					<b>\$ 4,707,180</b>		<b>\$ 4,856,105</b>
Temperature Normalization		620,932		\$ 0.43000	\$ 267,001	\$ 0.43000	\$ 267,001
Adjustment to Reflect Year-End Customers		0			\$ -	\$ -	\$ -
<b>Adjustment for Rate Switching</b>							
Administrative Charge 12-months	24			\$ 230.00	\$ 5,520	\$ 400.00	\$ 9,600
On-Peak MCF 12-months		50,709		\$ 0.43000	\$ 21,805	\$ 0.43000	\$ 21,805
UCDI Charge - Daily Demand (current)		926,436		\$ 0.17220	\$ 159,532	\$ 0.17220	\$ 159,532
<b>Total Firm Transportation (Non-Standby) Rate FT</b>		10,750,724			<b>\$ 5,161,038</b>		<b>\$ 5,314,043</b>
Proposed Increase in Revenue							153,005 2.96%
<b><u>RATE PS-FT:</u></b>							
<b>Pooling Service Rate PS - FT</b>							
Administrative Charges	827			\$ 75.00	\$ 62,025	\$ 75	\$ 62,025
<b>Total Rate PS-FT</b>					<b>\$ 62,025</b>		<b>\$ 62,025</b>
							- 0.00%

LOUISVILLE GAS AND ELECTRIC COMPANY  
CALCULATIONS OF SETTLEMENT RATE INCREASE  
FOR 12-MONTHS ENDED MARCH 31, 2012

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates	Settlement Rates	
						Unit Charges	Calculated Revenue
<b><u>INTRA-COMPANY SPECIAL CONTRACTS</u></b>							
<b>Intra-Company Special Contract - Sales Service</b>							
Customers for the 12-Month Period	24			\$ 170.00	\$ 4,080	\$ 175.00	\$ 4,200
Distribution Cost Component		672,290 Mcf		\$ 0.28480	\$ 191,468	\$ 0.32100	\$ 215,805
Demand Charge		3,556,800 Cefd		\$ 0.9682	\$ 3,443,694	\$ 1.0860	\$ 3,862,685
Subtotal					\$ 3,639,242		\$ 4,082,690
GSC at Current (May 2012 to July 2012) Charges		672,290		\$ 3.49040	\$ 2,346,562	\$ 3.49040	\$ 2,346,562
<b>Total Intra-Company Special Contract - Sales Service</b>					<u>\$ 5,985,804</u>		<u>\$ 6,429,252</u>
						\$	443,448
							7.41%
<b>Intra-Company Special Contract - Rate FT Customer</b>							
Monthly Transport Customer Charge	12			\$ 781.00	\$ 9,372	\$ 781.00	\$ 9,372
Distribution Cost Component		353,134 Mcf		\$ 0.04870	\$ 17,198	\$ 0.04870	\$ 17,198
Demand Charge		518,400 Mcfd		\$ 2.43	\$ 1,259,712	\$ 2.43	\$ 1,259,712
Utilization Charge for Daily Imbalances:							
Daily Storage Charge		35,616		\$ 0.18330	\$ 6,528	\$ 0.18330	\$ 6,528
Subtotal					\$ 1,292,810		\$ 1,292,810
UCDI Charge - Daily Demand (current)		35,616		\$ 0.17220	\$ 6,133	\$ 0.17220	\$ 6,133
<b>Total Intra-Company Special Contract - Rate FT Customer</b>					<u>\$ 1,298,943</u>		<u>\$ 1,298,943</u>
						\$	(0)
							0.00%

LOUISVILLE GAS AND ELECTRIC COMPANY  
 CALCULATIONS OF SETTLEMENT RATE INCREASE  
 FOR 12-MONTHS ENDED MARCH 31, 2012

Rate Class	Customers	MCF	Off-Peak MCF	Present Rates	Calculated Revenue @ Present Rates	Settlement Rates	
						Unit Charges	Calculated Revenue
<b><u>SPECIAL CONTRACTS - TRANSPORTATION SERVICE</u></b>							
<b>Special Contract</b>							
Customer Charges	12			\$ 275.00	\$ 3,300	\$ 275.00	\$ 3,300
Administrative Charges	12			\$ 230.00	\$ 2,760	\$ 400.00	\$ 4,800
Distribution Charge		619,843		\$ 0.10490	\$ 65,022	\$ 0.10490	\$ 65,021
Demand Charge		27,897		\$ 2.75	\$ 76,716	\$ 2.75	\$ 76,716
Sales		4,905		\$ 0.10490	\$ 515	\$ 0.10490	\$ 515
Utilization Charge for Daily Imbalances:							
Daily Storage Charge		86,645		\$ 0.18330	\$ 15,882	\$ 0.18330	\$ 15,882
					\$ 164,194		\$ 166,234
UCDI Charge - Daily Demand (current)		86,645		\$ 0.17220	\$ 14,920	\$ 0.17220	\$ 14,920
<b>Total Special Contracts</b>					<u>\$ 179,114</u>		<u>\$ 181,154</u>
						\$	2,040
							1.14%

# **Settlement Agreement Exhibit 4**

## **KU Tariffs**

**Kentucky Utilities Company**  
One Quality Street  
Lexington, Kentucky

Rates, Terms and Conditions for Furnishing

**ELECTRIC SERVICE**

In seventy-seven counties in the Commonwealth of Kentucky  
as depicted on territorial maps as filed with the

**PUBLIC SERVICE COMMISSION**  
**OF KENTUCKY**

**Date of Issue**

**Date Effective**  
**January 1, 2013**

**Issued by**  
**Lonnie E. Bellar, Vice President**  
**State Regulation and Rates**



**GENERAL INDEX**  
**Standard Electric Rate Schedules – Terms and Conditions**

<u>Title</u>	<u>Sheet Number</u>	<u>Effective Date</u>	
General Index	1	01-01-13	T
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RS Residential Service	5	01-01-13	T
VFD Volunteer Fire Department Service	7	01-01-13	
GS General Service	10	01-01-13	
AES All Electric School	12	01-01-13	
PS Power Service	15	01-01-13	
TODS Time-of-Day Secondary Service	20	01-01-13	
TODP Time-of-Day Primary Service	22	01-01-13	
RTS Retail Transmission Service	25	01-01-13	
FLS Fluctuating Load Service	30	01-01-13	
LS Lighting Service	35	01-01-13	
RLS Restricted Lighting Service	36	01-01-13	
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TE Traffic Energy Service	38	01-01-13	
CTAC Cable Television Attachment Charges	40	01-01-13	
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Meter Test Charge			
Disconnect/Reconnect Service Charge			
Meter Pulse Charge			
Meter Data Processing Charge			
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CSR30 Curtailable Service Rider 30	51	01-01-13	T
SQF Small Capacity Cogeneration Qualifying Facilities	55	06-30-10	
LQF Large Capacity Cogeneration Qualifying Facilities	56	04-17-99	
NMS Net Metering Service	57	08-17-09	
EF Excess Facilities	60	01-01-13	T
RC Redundant Capacity	61	01-01-13	T
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IL Intermittent Load Rider	65	01-01-13	T
TS Temporary/Seasonal Service Rider	66	01-01-13	T
KWH Kilowatt-Hours Consumed By Lighting Unit	67	03-01-00	
GER Green Energy Riders	70	06-01-10	
EDR Economic Development Rider	71	08-11-11	

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 1.1

## GENERAL INDEX Standard Electric Rate Schedules – Terms and Conditions

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SECTION 4 – Adjustment Clauses			
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DSM Demand-Side Management Cost Recovery Mechanism	86	01-01-13	T
ECR Environmental Cost Recovery Surcharge	87	01-01-13	T
FF Franchise Fee Rider	90	10-16-03	
ST School Tax	91	08-01-10	
HEA Home Energy Assistance Program	92	01-01-13	T
SECTION 5 – Terms and Conditions			
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Deposits	102	01-01-13	T
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Discontinuance of Service	105	08-01-10	
Line Extension Plan	106	12-30-11	
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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 5

Standard Rate

## RS RESIDENTIAL SERVICE

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Available for single phase delivery to single family residential service subject to the terms and conditions on Sheet No. 100 of this Tariff. Three phase service under this rate schedule is restricted to those customers being billed on this rate schedule as of July 1, 2004.

### RATE

Basic Service Charge:	\$10.75 per month	
Plus an Energy Charge of:	\$ 0.07235 per kWh	

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance Program	Sheet No. 92

### MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. T  
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### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges. Beginning October 1, 2010, residential customers who receive a pledge for or notice of low income energy assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received, nor will they be assessed or required to pay a late payment charge in any of the eleven (11) months following receipt of such pledge or notice. T/R

### TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 7

Standard Rate

## VFD VOLUNTEER FIRE DEPARTMENT SERVICE

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Available for single-phase delivery, 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 firefighting apparatus, and
- 3) half the members must be volunteers

### RATE

Basic Service Charge: \$10.75.00 per month |

Plus an Energy Charge of: \$ 0.07235 per kWh |

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

### MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. T  
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### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges. T/R

### TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 10

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**Standard Rate**

## GS GENERAL SERVICE RATE

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

To general lighting and small power loads for secondary service.

Service under this schedule will be limited to customers whose 12-month-average monthly maximum loads do not exceed 50 kW. Existing customers with 12-month-average maximum monthly loads exceeding 50 kW who are receiving service under P.S.C. 13, Fourth Revision of Original Sheet No. 10 as of February 6, 2009, will continue to be served under this rate at their option. If Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule unless and until Customer meets the Availability requirements that would apply to a new customer.

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### RATE

Basic Service Charge:                      \$20.00 per month for single-phase service  
    \$35.00 per month for three-phase service

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|

Plus an Energy Charge of:                \$ 0.08575 per kWh

|

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

### DETERMINATION OF MAXIMUM LOAD

If Company determines based on Customer's usage history that Customer may be exceeding the maximum load permitted under Rate GS, Company may, at its discretion, equip Customer with a meter capable of measuring demand to determine Customer's continuing eligibility for Rate GS. If Customer is equipped with a demand-measuring meter, Customer's load will be measured and will be the average kW demand delivered to the customer during the 15-minute period of maximum use during the month.

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### MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 10.1

Standard Rate

**GS**  
**GENERAL SERVICE RATE**

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**DUE DATE OF BILL**

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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**LATE PAYMENT CHARGE**

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

T/R

**TERMS AND CONDITIONS**

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

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**Date of Issue:**  
**Date Effective: January 1, 2013**  
**Issued By: Lonnie E. Bellar, Vice President, State Regulation and Rates, Lexington, Kentucky**

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 12

Standard Rate

## AES ALL ELECTRIC SCHOOL

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Service under this rate is available for secondary and primary service to:

- (1) a complex of school buildings on a central campus,
- (2) an individual school building, or
- (3) an addition to an existing school building.

School buildings, as referred to herein, shall be defined as buildings used as classrooms, laboratories, gymnasiums, libraries, cafeterias, school related offices or for other bona fide school purposes by duly constituted school authorities of Kentucky. Served electrically by Kentucky Utilities Company, such energy requirements include, but are not limited to, lighting, heating, cooling, and water heating. School buildings not receiving every energy requirement electrically shall be separately metered from the above defined service and served under the applicable rate. Other fuels may be used as incidental to and for instructional laboratory and other miscellaneous purposes without affecting the availability of this rate.

At those locations where the school owns its distribution system and makes the service connections to the various buildings and/or load centers, Company shall be given the option of providing service by use of the existing Customer-owned distribution system, or of constructing its own facilities in accordance with the Company's Overhead Construction Standards. In any event, Company's investment in the facilities it provides may be limited to an amount not exceeding twice the estimated annual revenue from Customer's service. Should Company's investment in the facilities required to provide service to Customer exceed twice the revenue anticipated from the service to Customer and at Customer's option, Customer may make a contribution for the difference in the investment required in facilities necessary to provide service and twice the anticipated revenue, so as to receive service under this schedule.

This Rate Schedule is not available to privately operated kindergartens or daycare centers and is restricted to those customers who were qualified for and being served on Rate AES as of July 1, 2011. Because this rate schedule is closed to new customers, if Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule.

### RATE

Basic Service Charge:	\$20.00 per meter per month for single-phase service	
	\$35.00 per meter per month for three-phase service	

Plus an Energy Charge of:	\$ 0.06928 per kWh	
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Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 12.1

Standard Rate

A.E.S.  
ALL ELECTRIC SCHOOL

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

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## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

T/R

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Date of Issue:

Date Effective: January 1, 2013

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



# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 15

Standard Rate

## PS POWER SERVICE

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This rate schedule is available for secondary or primary service.

Service under this schedule will be limited to customers whose 12-month-average monthly minimum secondary loads exceed 50 kW and whose 12-month-average monthly maximum loads do not exceed 250 kW. Secondary or primary customers receiving service under PSC 13, Fourth Revision of Original Sheet No. 20, Large Power Service, or Fourth Revision of Original Sheet No. 30, Mine Power Service, as of February 6, 2009, with loads not meeting these criteria will continue to be served under this rate at their option. If Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule unless and until Customer meets the Availability requirements that would apply to a new customer.

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### RATE

	Secondary	Primary	
Basic Service Charge per month:	\$90.00	\$170.00	I
Plus an Energy Charge per kWh of:	\$ 0.03340	\$ 0.03338	I
Plus a Demand Charge per kW of:			
Summer Rate: (Five Billing Periods of May through September)	\$14.33	\$ 14.31	I
Winter Rate: (All other months)	\$12.23	\$ 12.21	I

Where the monthly billing demand is the greater of:

- the maximum measured load in the current billing period but not less than 50 kW for secondary service or 25 kW for primary service, or
- a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- a minimum of 60% of the contract capacity based on the maximum expected load on the system or on facilities specified by Customer.

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 15.1

Standard Rate

PS  
POWER SERVICE

## DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kW demand delivered to the customer during the 15-minute period of maximum use during the month.

Company reserves the right to place a kVA meter and base the billing demand on the measured kVA. The charge will be computed based on the measured kVA times 90 percent of the applicable kW charge.

In lieu of placing a kVA meter, Company may adjust the measured maximum load for billing purposes when the power factor is less than 90 percent in accordance with the following formula: (BASED ON POWER FACTOR MEASURED AT THE TIME OF MAXIMUM LOAD).

$$\text{Adjusted Maximum kW Load for Billing Purposes} = \frac{\text{Maximum kW Load Measured} \times 90\%}{\text{Power Factor (in percent)}}$$

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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## TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one (1) year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

## TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 20

Standard Rate

## TODS TIME-OF-DAY SECONDARY SERVICE

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This schedule is available for secondary service. Service under this schedule will be limited to customers whose 12-month-average monthly minimum average loads exceed 250 kW and whose 12-month-average monthly maximum average loads do not exceed 5,000 kW.

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### RATE

Basic Service Charge per month: \$200.00

Plus an Energy Charge per kWh of: \$ 0.03549

I

Plus a Maximum Load Charge per kW of:

Peak Demand Period ..... \$ 4.25

I

Intermediate Demand Period ..... \$ 2.65

I

Base Demand Period ..... \$ 3.32

I

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 250 kW, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

### DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kW demand delivered to the customer during the 15-minute period of maximum use during the appropriate rating period each month.

Date of Issue:

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 20.1

## Standard Rate

### TODS TIME-OF-DAY SECONDARY SERVICE

#### DETERMINATION OF MAXIMUM LOAD (continued)

Company reserves the right to place a kVA meter and base the billing demand on the measured kVA. The charge will be computed based on the measured kVA times 90 percent, at the applicable kW charge.

In lieu of placing a kVA meter, Company may adjust the measured maximum load for billing purposes when the power factor is less than 90 percent in accordance with the following formula: (BASED ON POWER FACTOR MEASURED AT THE TIME OF MAXIMUM LOAD)

$$\text{Adjusted Maximum kW Load for Billing Purposes} = \frac{\text{Maximum kW Load Measured} \times 90\%}{\text{Power Factor (in percent)}}$$

#### RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

##### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

##### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

#### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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#### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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#### TERM OF CONTRACT

Service will be furnished under this schedule only under contract for a fixed term of not less than one (1) year, and for yearly periods thereafter until terminated by either party giving written notice to the other party 90 days prior to termination. Company, however, may require a longer fixed term of contract and termination notice because of conditions associated with the customer's requirements for service.

#### TERMS AND CONDITIONS

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

Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 22

Standard Rate

## TODP TIME-OF-DAY PRIMARY SERVICE

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This schedule is available for primary service. Service under this schedule will be limited to customers whose 12-month-average monthly minimum average loads exceed 250 kVA and whose 12-month-average monthly maximum new loads do not exceed 50,000 kVA. Existing customers may increase loads to a 12-month-average monthly maximum of 75,000 kVA by up to 2,000 kVA per year or in greater increments with approval of Company's transmission operator.

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### RATE

Basic Service Charge per month:	\$300.00	
Plus an Energy Charge per kWh of:	\$ 0.03541	
Plus a Maximum Load Charge per kVA of:		
Peak Demand Period	\$ 4.03	
Intermediate Demand Period	\$ 2.53	
Base Demand Period	\$ 1.48	

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 250 kVA, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 22.1

Standard Rate

## TODP TIME-OF-DAY PRIMARY SERVICE

### DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kVA demand delivered to the customer during the 15-minute period of maximum use during the appropriate rating period each month.

### RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

#### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

#### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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### TERM OF CONTRACT

Service will be furnished under this schedule only under contract for a fixed term of not less than one (1) year, and for yearly periods thereafter until terminated by either party giving written notice to the other party ninety (90) days prior to termination. Company, however, may require a longer fixed term of contract and termination notice because of conditions associated with the customer's requirements for service.

### TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 25

Standard Rate

## RTS RETAIL TRANSMISSION SERVICE

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This schedule is available for transmission service. Service under this schedule will be limited to customers whose 12-month-average monthly maximum new loads do not exceed 50,000 kVA. Existing customers may increase loads to a 12-month-average monthly maximum of 75,000 kVA by up to 2,000 kVA per year or in greater increments with approval of Company's transmission operator.

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### RATE

Basic Service Charge per month:	\$750.00	I
Plus an Energy Charge per kWh of:	\$ 0.03410	R
Plus a Maximum Load Charge per kVA of:		
Peak Demand Period	\$ 3.75	I
Intermediate Demand Period	\$ 2.65	I
Base Demand Period	\$ 1.12	I

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 250 kVA, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

**Date of Issue:**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 25.1

Standard Rate

## RTS RETAIL TRANSMISSION SERVICE

### DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kVA demand delivered to the customer during the 15-minute period of maximum use during the appropriate rating period each month.

### RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

#### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

#### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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### TERM OF CONTRACT

Service will be furnished under this schedule only under contract for a fixed term of not less than one (1) year and for yearly periods thereafter until terminated by either party giving written notice to the other party ninety (90) days prior to termination. Company, however, may require a longer fixed term of contract and termination notice because of conditions associated with the customer's requirements for service.

### TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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



# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 30

Standard Rate

**FLS**  
**Fluctuating Load Service**

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available for primary or transmission service to customers up to an aggregate of two hundred (200) MVA for all customers taking service under this schedule and under the Fluctuating Load Service Rate FLS schedule of Louisville Gas and Electric Company. This schedule is restricted to individual customers whose monthly demand is twenty (20) MVA or greater. A customer is defined as a fluctuating load if that customer's load either increases or decreases twenty (20) MVA or more per minute or seventy (70) MVA or more in ten (10) minutes when such increases or decreases exceed one (1) occurrence per hour during any hour of the billing month.

Subject to the above aggregate limit of two hundred (200) MVA, this schedule is mandatory for all customers whose load is defined as fluctuating and not served on another standard rate schedule as of July 1, 2004.

## BASE RATE

	<u>Primary</u>	<u>Transmission</u>	
Basic Service Charge per month:	\$750.00	\$750.00	
Plus an Energy Charge per kWh of:	\$ 0.03419	\$ 0.03037	
Plus a Maximum Load Charge per kVA of:			
Peak Demand Period	\$ 2.31	\$ 2.31	
Intermediate Demand Period	\$ 1.42	\$ 1.42	
Base Demand Period	\$ 1.70	\$ 0.95	

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of: T

a) the maximum measured load in the current billing period, or T

b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of: T

a) the maximum measured load in the current billing period but not less than 20,000 kVA, or

b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or

c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 30.1

Standard Rate

FLS  
Fluctuating Load Service

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## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kVA demand delivered to the customer during the 5-minute period of maximum use during the appropriate rating period each month.

## RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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Date of Issue:

Date Effective: January 1, 2013

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

Standard Rate

**FLS**  
**Fluctuating Load Service**

## **TERM OF CONTRACT**

Unless terminated by mutual agreement, the initial term of contract for service shall be for a fixed term of five years with successive one year term renewal until canceled by either party giving at least one (1) year written notice to the other prior to the end of the initial term or the then current annual renewal period, as applicable.

## **PROTECTION OF SERVICE**

Where Customer's use of service is intermittent, subject to violent or extraordinary fluctuations, or produces unacceptable levels of harmonic current, in each case as determined by Company in its reasonable discretion, Company reserves the right to require Customer to furnish, at Customer's own expense, suitable equipment (as approved by Company in its reasonable discretion) to meter and limit such intermittence, fluctuation, or harmonics to the extent reasonably requested by Company. Without limiting the foregoing, Company may require such equipment if, at any time, the megavars, harmonics, and other undesirable electrical characteristics produced by the Customer exceed the limits set forth in the IEEE standards for such characteristics. In addition, if the Customer's use of Company's service under this schedule causes such undesirable electrical characteristics in an amount exceeding those IEEE standards, such use shall be deemed to cause a dangerous condition which could subject any person to imminent harm or result in substantial damage to the property of Company or others, and Company shall therefore terminate service to the Customer in accordance with 807 KAR 5:006, Section 14(1)(b). Such a termination of service shall not be considered a cancellation of the service agreement or relieve Customer of any minimum billing or other guarantees. Company shall be held harmless for any damages or economic loss resulting from such termination of service. If requested by Company, Customer shall provide all available information to Company that aids Company in enforcing its service standards. If Company at any time has a reasonable basis for believing that Customer's proposed or existing use of the service provided will not comply with the service standards for interference, fluctuations, or harmonics, Company may engage such experts and/or consultants as Company shall determine are appropriate to advise Company in ensuring that such interference, fluctuations, or harmonics are within acceptable standards. Should such experts and/or consultants determine Customer's use of service is unacceptable, Company's use of such experts and/or consultants will be at the Customer's expense.

## **SYSTEM CONTINGENCIES AND INDUSTRY SYSTEM PERFORMANCE CRITERIA**

Company reserves the right to interrupt up to 95% of Customer's load to facilitate Company compliance with system contingencies and with industry performance criteria. Customer will permit Company to install electronic equipment and associated real-time metering to permit Company interruption of Customer's load. Such equipment will immediately notify Customer five (5) minutes before an electronically initiated interruption that will begin immediately thereafter and last no longer than ten (10) minutes nor shall the interruptions exceed twenty (20) per month. Such interruptions will not be accumulated nor credited against annual hours, if any, under the CURTAILABLE SERVICE RIDERS CSR10 AND CSR 30. Company's right to

**Date of Issue:**

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# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 30.3

Standard Rate

FLS  
Fluctuating Load Service

Interrupt under this provision is restricted to responses to unplanned outage or de-rates of LG&E and KU Energy LLC System (LKE System) owned or purchased generation or when Automatic Reserve Sharing is invoked. LKE System, as used herein, shall consist of KU and LG&E. At customer's request, Company shall provide documentation of the need for interruption under this provision within sixty (60) days of the end of the applicable billing period.

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## LIABILITY

In no event shall Company have any liability to the Customer or any other party affected by the electrical service to the Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to the Customer or any other party. In the event that the Customer's use of Company's service causes damage to Company's property or injuries to persons, the Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold Company harmless from any and all suits, claims, losses, and expenses associated therewith.

## TERMS AND CONDITIONS

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

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# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 35

Standard Rate

LS  
Lighting Service

N

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Service under this rate schedule is offered, under the conditions set out hereinafter, for lighting applications such as, but not limited to, the illumination of street, driveways, yards, lots, and other outdoor areas where secondary voltage of 120/240 is available.

Service will be provided under written contract, signed by customer prior to service commencing, when additional facilities are required.

Units marked with an asterisk (\*) are not available for use in residential neighborhoods except by municipal authorities.

## OVERHEAD SERVICE

Based on Customer's lighting choice, Company will furnish, own, install, and maintain the lighting unit. A basic overhead service includes lamp, fixture, photoelectric control, mast arm, and, if needed, up to 150 feet of conductor per fixture on existing wood poles (fixture only). Company will, upon request, furnish ornamental poles of Company's choosing, together with overhead wiring and all other equipment mentioned for basic overhead service.

## RATE

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
				Fixture Only	Ornamental	
<b>High Pressure Sodium</b>						
462/472	Cobra Head	5,800	0.083	\$ 8.21	\$11.15	
463/473	Cobra Head	9,500	0.117	8.74	11.90	
464/474	Cobra Head	22,000*	0.242	13.55	16.71	
465/475	Cobra Head	50,000*	0.471	21.78	23.40	
487	Directional	9,500	0.117	\$ 8.60		
488	Directional	22,000*	0.242	12.94		
489	Directional	50,000*	0.471	18.40		
428	Open Bottom	9,500	0.117	\$ 7.44		
<b>Metal Halide</b>						
450	Directional	12,000*	0.150	\$13.55		
451	Directional	32,000*	0.350	19.18		
452	Directional	107,800*	1.080	40.00		

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# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 35.1

Standard Rate

## LS Lighting Service

N

### OVERHEAD SERVICE (continued)

Should Customer request underground service, Customer shall make a non-refundable cash contribution prior to the time of installation, or, at the option of company, make a work contribution to Company for the difference in the installed cost of the system requested and the cost of the overhead lighting system.

Where the location of existing poles is not suitable or where there are no existing poles for mounting of lights, and Customer requests service under these conditions, Company may furnish the requested facilities at an additional charge to be determined under the Excess Facilities Rider.

### UNDERGROUND SERVICE

Based on Customer's lighting choice, Company will furnish, own, install, and maintain poles, fixtures, and any necessary circuitry up to 200 feet. All poles and fixtures furnished by Company will be standard stocked materials. Company may decline to install equipment and provide service thereto in locations deemed by Company as unsuitable for underground installation.

### RATE

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
				Fixture Only	Decorative Smooth	Historic Fluted
<b>High Pressure Sodium</b>						
467	Colonial	5,800	0.083		\$10.32	
468	Colonial	9,500	0.117		10.76	
401/411	Acorn	5,800	0.083		\$14.41	\$20.93
420/430	Acorn	9,500	0.117		14.96	21.60
414	Victorian	5,800	0.083			\$30.39
415	Victorian	9,500	0.117			30.82
492/476	Contemporary	5,800	0.083	\$14.92	\$16.34	
497/477	Contemporary	9,500	0.117	14.95	20.57	
498/478	Contemporary	22,000*	0.242	17.02	26.16	
499/479	Contemporary	50,000*	0.471	20.43	32.06	
300	Dark Sky Lantern	4,000	0.060		\$22.15	
301	Dark Sky Lantern	9,500	0.117		23.10	

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# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 35.2

N

Standard Rate

## LS Lighting Service

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
				Fixture Only	Decorative Smooth	Historic Fluted
360	Granville	16,000	0.181		\$53.01	
	Granville Accessories:					
						\$20.57
						3.21
						4.43
						2.95
						3.66
						1.36
						19.19
						2.62
						4.45
						4.94

Granville units are restricted to installations and configurations for the cities of Lexington and London

### Metal Halide

490/494	Contemporary	12,000*	0.150	\$14.77	\$27.67
491/495	Contemporary	32,000*	0.350	20.91	33.81
493/496	Contemporary	107,800*	1.080	43.35	56.24

Customer shall make a non-refundable cash contribution prior to the time of installation, or, at the option of Company, make a work contribution to Company for the difference in the installed cost of the system requested and the cost of the conventional overhead lighting system.

Where Customer's location would require the installation of additional facilities, Company may furnish, own, and maintain the requested facilities at an additional charge per month to be determined under the Excess Facilities Rider.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. Billing for this service to be made a part of bill rendered for other electric service.

### DETERMINATION OF ENERGY CONSUMPTION

The kilowatt-hours will be determined as set forth on Sheet No. 67 of this Tariff

Date of Issue:

Date Effective: January 1, 2013

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

**Standard Rate**

**LS  
Lighting Service**

**ADJUSTMENT CLAUSES**

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

**TERM OF CONTRACT**

For a fixed term of not less than five (5) years and for such time thereafter until terminated by either party giving thirty (30) days prior written notice to the other when additional facilities are required. Cancellation by Customer prior to the initial five-year term will require Customer to pay to Company a lump sum equal to the monthly charge times the number of months remaining on the original five (5) year term.

**TERMS AND CONDITIONS**

1. Service shall be furnished under Company's Terms and Conditions, except as set out herein.
2. All service and maintenance will be performed only during regular scheduled working hours of Company. Customer will be responsible for reporting outages and other operating faults. Company shall initiate service corrections within two (2) business days after such notification by Customer.
3. Customer shall be responsible for the cost of fixture replacement or repairs where such replacement or repairs are caused from willful damage, vandalism, or causes other than normal burnouts. Company may decline to provide or continue service in locations where, in Company's judgment, such facilities will be subject to unusual hazards or risk of damage.
4. Company shall have the right to make other attachments and to further extend the conductors, when necessary, for the further extension of its electric service.
5. If any permit is required from any municipal or other governmental authority with respect to installation and use of any of the lighting units provided hereunder, Company will seek such permits, but the ultimate responsibility belongs with Customer
6. If Customer requests the removal of an existing lighting system, including, but not limited to, fixtures, poles, or other supporting facilities that were in service less than twenty years, and requests installation of replacement lighting within 5 years of removal, Customer agrees to pay to Company its cost of labor to install the replacement facilities.
7. Temporary suspension of lighting service is not permitted. Upon permanent discontinuance of service, lighting units and other supporting facilities solely associated with providing service under this tariff, except underground facilities and pedestals, will be removed.

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**Date of Issue:**  
**Date Effective: January 1, 2013**  
**Issued By: Lonnie E. Bellar, Vice President, State Regulation and Rates, Lexington, Kentucky**



# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 36

Standard Rate

**RLS**  
**Restricted Lighting Service**

N

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

Service under this rate schedule is restricted to those lighting fixtures/poles in service as of August 1, 2012, except where a spot replacement maintains the continuity of multiple fixtures/poles comprising a neighborhood lighting system. Spot placement of restricted fixtures/poles is contingent on the restricted fixtures/poles being available from manufacturers. Spot replacement of restricted units will be made under the terms and conditions provided for under non-restricted Lighting Service Rate LS.

In the event restricted fixtures/poles fail and replacements are unavailable, Customer will be given the choice of having Company remove the failed fixture/pole or replacing the failed fixture/pole with other available fixture/pole.

**OVERHEAD SERVICE**

Based on Customer's lighting choice, Company has furnished, installed, and maintained the lighting unit complete with lamp, fixture, photoelectric control, mast arm, and, if needed, up to 150 feet of conductor per fixture on existing wood poles (fixture only). Company has, upon request, furnished poles, of Company's choosing, together with overhead wiring and all other equipment mentioned for overhead service.

RATE	Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge	
					Fixture Only	Fixture and Pole
<b>High Pressure Sodium</b>						
	461/471	Cobra Head	4,000	0.060	\$ 7.20	\$10.15
	409	Cobra Head	50,000	0.471	10.65	
	426	Open Bottom	5,800	0.083	6.99	
<b>Metal Halide</b>						
	454	Directional	12,000	0.150		\$17.95
	455	Directional	32,000	0.350		23.57
	459	Directional	107,800	1.080		44.39
<b>Mercury Vapor</b>						
	446/456	Cobra Head	7,000	0.207	\$ 9.06	\$11.37
	447/457	Cobra Head	10,000	0.294	10.70	12.74
	448/458	Cobra Head	20,000	0.453	12.01	14.28
	404	Open Bottom	7,000	0.207	10.07	
<b>Incandescent</b>						
	421	Tear Drop	1,000	0.102	\$ 3.20	
	422	Tear Drop	2,500	0.201	4.25	
	424/434	Tear Drop	4,000	0.327	6.32	\$ 7.28
	425	Tear Drop	6,000	0.447	8.43	

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 36.1

Standard Rate

RLS  
Restricted Lighting Service

N

## OVERHEAD SERVICE (continued)

Where the location of existing poles was not suitable, or where there were no existing poles for mounting of lights, and Customer requested service under these conditions, Company may have furnished the requested facilities at an additional charge determined under the Excess Facilities Rider.

## UNDERGROUND SERVICE

Based on Customer's lighting choice, Company has furnished, installed, and maintained the lighting unit complete with lamp, fixture, photoelectric control, mast arm, and, if needed, up to 200 feet of conductor per fixture on appropriate poles.

RATE	Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
					Wood Pole	Decorative Smooth	Historic Fluted
<b>Metal Halide</b>							
	460	Directional	12,000	0.150		\$26.45	
	469	Directional	32,000	0.350		32.08	
	470	Directional	107,800	1.080		52.90	
<b>High Pressure Sodium</b>							
	440/410	Acorn	4,000	0.060		\$13.27	\$19.92
	466	Colonial	4,000	0.060		\$ 9.28	
	412	Coach	5,800	0.083		\$30.39	
	413	Coach	9,500	0.117		30.82	

## DUE DATE OF BILL

Payment is due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. Billing for this service to be made a part of the bill rendered for other electric service.

## DETERMINATION OF ENERGY CONSUMPTION

The kilowatt-hours will be determined as set forth on Sheet No. 67 of this Tariff.

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

Date of Issue:

Date Effective: January 1, 2013

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

Standard Rate

RLS  
Restricted Lighting Service

N

## TERM OF CONTRACT

For a fixed term of not less than five (5) years and for such time thereafter until terminated by either party giving thirty (30) days prior written notice to the other when additional facilities are required. Cancellation by Customer prior to the initial five-year term will require Customer to pay to Company a lump sum equal to the monthly charge times the number of months remaining on the original five (5) year term.

## TERMS AND CONDITIONS

1. Service shall be furnished under Company's Terms and Conditions, except as set out herein.
2. All service and maintenance will be performed only during regular scheduled working hours of Company. Customer will be responsible for reporting outages and other operating faults, and the Company shall initiate service corrections within two (2) business days after such notification by Customer.
3. Customer shall be responsible for the cost of fixture replacement or repairs where such replacement or repairs are caused from willful damage, vandalism, or causes other than normal burnouts. Company may decline to provide or continue service in locations where, in Company's judgment, such facilities will be subject to unusual hazards or risk of damage.
4. Company shall have the right to make other attachments and to further extend the conductors, when necessary, for the further extension of its electric service.
5. Temporary suspension of lighting service is not permitted. Upon permanent discontinuance of service, lighting units and other supporting facilities solely associated with providing service under this tariff, except underground facilities and pedestals, will be removed.

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**Date of Issue:**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 37

Standard Rate

LE  
Lighting Energy Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions or agencies of the state or Federal governments, civic associations, and other public or quasi-public agencies for service to public street and highway lighting systems, where the municipality or other agency owns and maintains all street lighting equipment and other facilities on its side of the point of delivery of the energy supplied hereunder.

## RATE

\$0.05871 per kWh

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## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

T  
T

## CONDITIONS OF DELIVERY

- a) Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption taking into account the types of equipment served.
- b) The location of the point of delivery of the energy supplied hereunder and the voltage at which such delivery is effected shall be mutually agreed upon by Company and the customer in consideration of the type and size of customer's street lighting system and the voltage which Company has available for delivery.

## TERMS AND CONDITIONS

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

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 38

Standard Rate

TE  
Traffic Energy Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions of the state or Federal governments or any other governmental agency for service on a 24-hour all-day every-day basis, where the governmental agency owns and maintains all equipment on its side of the point of delivery of the energy supplied hereunder. In the application of this rate each point of delivery will be considered as a separate customer.

This service is limited to traffic control devices including, signals, cameras, or other traffic lights and electronic communication devices.

## RATE

Basic Service Charge: \$3.25 per delivery per month

Plus an Energy Charge of: \$0.07469 per kWh

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

## CONDITIONS OF SERVICE

1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption, taking into account the size and characteristics of the load, or on meter readings obtained from a similar installation.
2. The location of each point of delivery of energy supplied hereunder shall be mutually agreed upon by Company and the customer. Where attachment of Customer's devices is made to Company facilities, Customer must have an attachment agreement with Company.
3. Loads not operated on an all-day every-day basis will be served under the appropriate rate.

## TERMS AND CONDITIONS

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

Date of Issue:

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

Standard Rate

**CTAC**  
**Cable Television Attachment Charges**

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

Where Company is willing to permit the attachments of cables, wires and appliances to its poles where, in Company's judgment, such attachments will not interfere with its electric service requirements and other prior licensees using Company's poles. Attachments will be permitted upon execution by both parties of a Cable Television Attachment Agreement supplied by Company.

**ATTACHMENT CHARGE**

\$9.96 per year for each attachment to pole.

**BILLING**

Attachment Charges to be billed semi-annually based on the number of pole attachments being maintained on December 1 and June 1. Provided, however, that should the Agreement be terminated in accordance with the terms of the said Agreement, the Attachment Charges will be prorated to the date of such termination. Payment will be due within thirty (30) days from date of bill. Non-payment of bills shall constitute a default of the Agreement.

**TERM OF AGREEMENT**

The Cable Television Attachment Agreement shall become effective upon execution by both parties and shall continue in effect for not less than one (1) year, subject to provisions contained in the agreement. At any time thereafter, the Customer may terminate the agreement by giving not less than six (6) months' prior written notice. Upon termination of the agreement, Customer shall immediately remove its cables, wire, appliances and all other attachments from all poles of Company.

**TERMS AND CONDITIONS OF POLE ATTACHMENTS**

Pole attachments shall be permitted in accordance with this Schedule. Company's Terms and Conditions shall be applicable, to the extent they are not in conflict with or inconsistent with, the special provisions of this Schedule.

Upon written Agreement, Company is willing to permit, to the extent it may lawfully do so, the attachment of cables, wires and appliances to its poles by a cable television system operator, hereinafter "Customer," where, in its judgment, such use will not interfere with its electric service requirements and other prior licensees using Company's poles, including consideration of economy and safety, in accordance with this schedule approved by the Public Service Commission. The Terms and Conditions applicable to such service are as follows:

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

Standard Rate

CTAC

Cable Television Attachment Charges

**1. ATTACHMENT APPLICATIONS AND PERMITS**

Before making attachment to any pole or poles of Company, Customer shall make application and receive a permit therefore on a form to be supplied by Company. The information submitted by Customer with the application for a permit shall consist of drawings and associated descriptive matter which shall be adequate in all detail to enable Company to thoroughly check the proposed installation of Customer. Before the attachments are made, the permit must be approved by Company. Customer shall not build separate pole lines along existing facilities of Company and shall not place intermediate poles in spans of Company, unless authorized by Company in writing. Company shall have the right to remove unauthorized Customer attachments at Customer's expense after notice to Customer. In the event a pole attachment count does not correspond to the recorded attachment count, Customer will pay a back attachment fee for any excess attachments. The back attachment fee will be double the rate otherwise in effect over the time since last pole attachment count and shall be payable on demand.

**2. PERMITTED ATTACHMENTS**

Customer shall be permitted to make only one bolt attachment for one messenger on tangent poles and two bolt attachments for two messengers on corner poles. A maximum of five individual coaxial cables may be supported by any single messenger if these cables are all attached to the messenger by suitable lashings or bindings, and so that the maximum overall dimension of the resulting cable bundle does not exceed two (2) inches. Any messenger attachment other than to tangent poles must be properly braced with guys and anchors provided by Customer to the satisfaction of Company. The use of existing Company anchors for this purpose must be specifically authorized in writing, subject to additional charge, and will not ordinarily be permitted. The use of crossarms or brackets shall not be permitted. In addition to messenger attachments, Customer will be permitted one Customer amplifier installation per pole and four service drops to be tapped on cable messenger strand and not on pole. Customer power supply installations shall be permitted, but only at pole locations specifically approved by Company. Any or all of the above are considered one attachment for billing purposes. Any additional attachments desired by Customer will be considered on an individual basis by Company, and as a separate attachment application.

**3. CONSTRUCTION AND MAINTENANCE REQUIREMENTS AND SPECIFICATIONS**

Customer's cables, wires and appliances, in each and every location, shall be erected and maintained in accordance with the requirements and specifications of the National Electrical Safety Code, current edition, and Company's construction practices, or any amendments or revisions of said Code and in compliance with any rules or orders now in effect or that hereinafter may be issued by the Public Service Commission of Kentucky, or other authority having jurisdiction. In the event any of Customer's construction does not meet any of the foregoing requirements, Customer will correct same in fifteen work days after written notification. Company may make corrections and bill Customer for total costs incurred, if not corrected by Customer.

**4. MAINTENANCE OF ATTACHMENTS**

Customer shall, at its own expense, make and maintain said attachments in safe condition and in thorough repair, and in a manner suitable to Company and so as not to conflict with the use of said poles by Company, or by other parties, firms, corporations, governmental units, etc., using said poles, pursuant to any license or permit by Company, or interfere with the working

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

**Standard Rate**

**CTAC  
Cable Television Attachment Charges**

use of facilities thereon or which may, from time to time, be placed thereon. Customer shall promptly at any time, at its own expense, upon written notice from Company, relocate, replace or renew its facilities placed on said poles, and transfer them to substituted poles, or perform any other work in connection with said facilities that may be required by Company but in no case longer than 30 day after date of written request. In cases of emergency, however, Company may arrange to relocate, replace or renew the facilities placed on said poles by Customer, transfer them to substituted poles or perform any other work in connection with said facilities that may be required in the maintenance, replacement, removal or relocation of said poles, the facilities thereon or which may be placed thereon, or for the service needs of Company, or its other licensees, and Customer shall, on demand, reimburse Company for the expense thereby incurred.

**5. COSTS ASSOCIATED WITH ATTACHMENTS**

In the event that any pole or poles of Company to which Customer desires to make attachments are inadequate to support the additional facilities in accordance with the aforesaid specifications, Company will indicate on the application and permit form the changes necessary to provide adequate poles and the estimated cost thereof to Customer. If Customer still desires to make the attachments, Company will replace such inadequate poles with suitable poles and Customer will, on demand, reimburse Company for the total cost of pole replacement necessary to accommodate Customer attachments, less the salvage value of any pole that is removed, and the expense of transferring Company's facilities from the old to the new poles. Where Customer desired attachments can be accommodated on present poles of Company by rearranging Company's facilities thereon, Customer will compensate Company for the full expense incurred in completing such rearrangements, within ten days after receipt of Company's invoice for such expense. Customer will also, on demand, reimburse the owner or owners of other facilities attached to said poles for any expense incurred by it or them in transferring or rearranging said facilities. In the event Customer makes an unauthorized attachment which necessitates rearrangements when discovered, then Customer shall pay on demand twice the expense incurred in completing such rearrangements.

**6. MAINTENANCE AND OPERATION OF COMPANY'S FACILITIES**

Company reserves to itself, its successors and assigns, the right to maintain its poles and to operate its facilities thereon in such manner as will, in its own judgment, best enable it to fulfill its electric service requirements, but in accordance with the specifications herein before referred to. Company shall not be liable to Customer for any interruption to service to Customer's subscribers or for interference with the operation of the cables, wires and appliances of Customer arising in any manner out of the use of Company's poles hereunder.

**7. FRANCHISES AND EASEMENTS**

Customer shall submit to Company evidence, satisfactory to Company, of Customer's authority to erect and maintain Customer's facilities within public streets, highways and other thoroughfares within the above described territory which is to be served and shall secure any necessary consent by way of franchise or other satisfactory license, permit or authority, acceptable to Company from State, County or municipal authorities or from the owners of property where necessary to construct and maintain facilities at the locations of poles of Company which it desires to use. Customer must secure its own easement rights on private property. Customer must, regardless of authority received or franchises given by governmental

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**Date of Issue:**

**Date Effective: August 1, 2010**

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



Standard Rate

**CTAC**  
**Cable Television Attachment Charges**

agencies, conform to all requirements of Terms and Conditions with regard to Company's property. Company's approval of attachments shall not constitute any representation or warranty by Company to Customer regarding Customer's right to occupy or use any public or private right-of-way.

**8. INSPECTION OF FACILITIES**

Company reserves the right to inspect each new installation of Customer on its poles and in the vicinity of its lines or appliances and to make periodic inspections, every two (2) years or more often as plant conditions warrant of the entire plant of Customer. Such inspections, made or not, shall not operate to relieve Customer of any responsibility, obligation or liability.

**9. PRECAUTIONS TO AVOID FACILITY DAMAGE**

Customer shall exercise precautions to avoid damage to facilities of Company and of others supported on said poles; and shall assume all responsibility of any and all loss for such damage caused by it. Customer shall make an immediate report to Company of the occurrence of any damage and shall reimburse Company for the expense incurred in making repairs.

**10. INDEMNITIES AND INSURANCE**

Customer shall defend, indemnify and save harmless Company from any and all damage, loss, claim, demand, suit, liability, penalty or forfeiture of every kind and nature-including but not limited to costs and expenses of defending against the same and payment of any settlement or judgment therefore, by reason of (a) injuries or deaths to persons, (b) damages to or destructions of properties, (c) pollutions, contaminations of or other adverse effects on the environment or (d) violations of governmental laws, regulations or orders whether suffered directly by Company it-self or indirectly by reason of claims, demands or suits against it by third parties, resulting or alleged to have resulted from acts or omissions of Customer, its employees, agents, or other representatives or from their presence on the premises of Company, either solely or in concurrence with any alleged joint negligence of Company.

Customer shall provide and maintain in an Insurance Company(s) authorized to do business in the Commonwealth of Kentucky, the following:

- (a) Insurance protection for Customer employees to the extent required by the Workmen's Compensation Law of Kentucky and, where same is not applicable or if necessary to provide a defense for Company, Employer's Liability Protection (covering both Company and Customer) for Customer employees for no less than \$100,000.00 per employee.
- (b) Public Liability and Business Liability insurance with a minimum limit of \$500,000.00 for each person injured and with a minimum total limit of \$1,000,000.00 for each accident and a minimum limit of \$100,000.00 for property damage for each accident.
- (c) Public Liability and Property Damage insurance on all automotive equipment used by Customer on job to the extent of the amounts for Public Liability and Property Damage insurance set out in the preceding Paragraph (b).
- (d) In the event that work covered by the Agreement includes work to be done in places or areas where the Maritime Laws are in effect, then and in that event additional insurance protection to the limits in Paragraph (b) above for liability arising out of said Maritime Laws.

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**Date of Issue:**

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

**Standard Rate**

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Cable Television Attachment Charges**

- (e) In the event the work covers fixed wing aircraft, rotor lift, lighter than air aircraft or any other form of aircraft, appropriate insurance will be carried affording protection to the limits prescribed in the preceding Paragraph (b).
- (f) In the event the work covers blasting, explosives or operations underground, in trenches or other excavations, appropriate insurance will be carried affording protection to the limits prescribed in the preceding Paragraph (b), together with products hazard and completed operations insurance where applicable, affording protection to the limits above prescribed. Customer's liability insurance shall be written to eliminate XCU exclusions. Said insurance is to be kept in force for not less than one year after cancellation of the Agreement.

Before starting work, Customer shall furnish to Company a certificate(s) of insurance satisfactory to Company, evidencing the existence of the insurance required by the above provisions, and this insurance may not be canceled for any cause without sixty (60) days advance written notice being first given Company; provided, that failure of Company to require Customer to furnish any such certificate(s) shall not constitute a waiver by Company of Customer's obligation to maintain insurance as provided herein.

Each policy required hereunder shall contain a contractual endorsement written as follows: "The insurance provided herein shall also be for the benefit of Kentucky Utilities Company so as to guarantee, within the policy limits, the performance by the named insured of the indemnity provisions of the Cable Television Attachment Agreement between the named insured and Kentucky Utilities Company. This insurance may not be canceled for any cause without sixty (60) days advance written notice being first given to Kentucky Utilities Company."

#### **11. ATTACHMENT REMOVAL AND NOTICES**

Customer may at any time voluntarily remove its attachments from any pole or poles of Company, but shall immediately give Company written notice of such removal on a form to be supplied by Company. No refund of any attachment charge will be due on account of such voluntary removal.

#### **12. FORBIDDEN USE OF POLES**

Prior to Customer's initial attachment, Company reserves the right due to engineering design requirements to refuse use by Customer of certain or specific poles or structures (such as normal transmission routes). Upon notice from Company to Customer that the use of any pole or poles is forbidden by municipal or other public authorities or by property owners, the permit covering the use of such pole or poles shall immediately terminate and Customer shall remove its facilities from the affected pole or poles at once. No refund of any attachment charge will be due on account of any removal resulting from such forbidden use.

#### **13. NON-COMPLIANCE**

If Customer shall fail to comply with any of the provisions of these Rules and Regulations or Terms and Conditions or default in any of its obligations under these Rules and Regulations or Terms and Conditions and shall fail within thirty (30) days after written notice from Company to correct such default or non-compliance, Company may, at its option, forthwith terminate the Agreement or the permit covering the poles as to which such default or non-compliance shall have occurred, by giving written notice to Customer of said termination. No refund of any rental will be due on account of such termination.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

Standard Rate

**CTAC**  
**Cable Television Attachment Charges**

**14. WAIVERS**

Failure to enforce or insist upon compliance with any of these Rules and Regulations or Terms and Conditions or the Agreement shall not constitute a general waiver or relinquishment thereof, but the same shall be and remain at all times in full force and effect.

**15. USE OF COMPANY'S FACILITIES BY OTHERS**

Nothing herein contained shall be construed as affecting the rights or privileges previously conferred by Company, by contract or otherwise, to others, not parties to the Agreement, to use any poles covered by the Agreement; and Company shall have the right to continue and to extend such rights or privileges. The attachment privileges herein granted shall at all times be subject to such existing contracts and arrangements.

**16. ASSIGNMENT**

Customer shall not assign, transfer or sublet the privileges hereby granted and/or provided in the Agreement without the prior consent in writing of Company.

**17. PROPERTY RIGHTS**

No use, however extended, of Company poles under the Agreement shall create or vest in Customer any ownership or property rights in said poles, but Customer shall be and remain a customer only. Nothing herein contained shall be construed to compel Company to maintain any of said poles for a period longer than demanded by its electric service requirements.

**18. FAILURE TO PROCEED**

Customer agrees to proceed as expeditiously as practical with the work of providing the television cable service to the area described in the Agreement. Within ninety (90) days from the date of the Agreement, Customer shall make progress reasonably satisfactory to Company in the installation of its facilities or shall demonstrate, to the reasonable satisfaction of Company, its ability to proceed expeditiously.

**19. TERMINATION**

Upon termination of the Agreement in accordance with any of its terms, Customer shall immediately remove its cables, wires and appliances from all poles of Company. If not removed, Company shall have the right to remove them at the cost and expense of Customer.

**20. SECURITY**

Customer shall furnish bond for the purposes hereinafter specified as follows:

- (a) during the period of Customer's initial installation of its facilities and at the time of any expansion involving more than seventy-five (75) poles, a bond in the amount of \$2,000 for each 100 poles (or fraction thereof) to which Customer intends to attach its facilities;
- (b) following the satisfactory completion of Customer's initial installation, the amount of bond shall be reduced to \$1,000 for each 100 poles (or fraction thereof);
- (c) after Customer has been a customer of Company pursuant to the Agreement and is not in default thereunder for a period of three years, the bond shall be reduced to \$500 for each 100 poles (or fraction thereof).

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

Standard Rate

**CTAC**  
**Cable Television Attachment Charges**

- (d) such bond shall contain the provision that it shall not be terminated prior to six (6) months' after receipt by Company of written notice of the desire of the bonding or insurance company to terminate such bond. This six (6) months' termination clause may be waived by Company if an acceptable replacement bond is received before the six (6) months has ended. Upon receipt of such termination notice, Company shall request Customer to immediately remove its cables, wires and all other facilities from all poles of Company. If Customer should fail to complete the removal of all of its facilities from the poles of Company within thirty (30) days after receipt of such request from Company, then Company shall have the right to remove them at the cost and expense of Customer and without being liable for any damage to Customer's wires, cables, fixtures or appurtenances. Such bond shall guarantee the payment of any sums which may become due to Company for rentals, inspections or work performed for the benefit of Customer under the Agreement, including the removal of attachments upon termination of the Agreement by any of its provisions.
- (e) Company in its sole discretion may agree in writing to accept other collateral (such as a cash deposit or an irrevocable bank letter of credit) in substitution for the bond required by, and subject to the other requirements of, this Section 20.

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## 21. NOTICES

Any notice, or request, required by these Rules and Regulations or Terms and Conditions or the Agreement shall be deemed properly given if mailed, postage pre-paid, to Company, in the case of Company; or in the case of the Customer, to its representative designated in the Agreement. The designation of the person to be notified, and/or his address may be changed by Company or Customer at any time, or from time to time, by similar notice.

## 22. ADJUSTMENTS

Nothing contained herein or in any Agreement shall be construed as affecting in any way the right of Company, and Company shall at all times have the right, to unilaterally file with the Public Service Commission a change in rental charges for attachments to poles, other charges as provided for, any rule, regulation, condition or any other change required. Such change or changes to become effective upon approval of the Commission or applicable regulations or statutes, and shall constitute an amendment to the Agreement.

## 23. BINDING EFFECT

Subject to the provisions of Section 16 hereof, the Agreement and these Rules and Regulations or Terms and Conditions shall extend to and bind the successors and assigns of the parties hereto.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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**Standard Rate**

**Special Charges**

The following charges will be applied uniformly throughout Company's service territory. Each charge, as approved by the Public Service Commission, reflects only that revenue required to cover associated expenses.

**RETURNED PAYMENT CHARGE**

In those instances where a customer renders payment to Company which is not honored upon deposit by Company, the customer will be charged \$10.00 to cover the additional processing costs.

**METER TEST CHARGE**

Where the test of a meter is performed during normal working hours upon the written request of a customer, pursuant to 807 KAR 5:006, Section 18, and the results show the meter was not more than two percent fast, the customer will be charged \$75.00 to cover the test and transportation costs.

**DISCONNECT/RECONNECT SERVICE CHARGE**

A charge of \$28.00 will be made to cover disconnection and reconnection of electric service when discontinued for non-payment of bills or for violation of Company's Terms and Conditions, such charge to be made before reconnection is effected. No charge will be made for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.

Residential and general service customers may request and be granted temporary suspension of electric service. In the event of such temporary suspension, Company will make a charge of \$28.00 to cover disconnection and reconnection of electric service, such charge to be made before reconnection is effected.

**METER PULSE CHARGE**

Where a customer desires and Company is willing to provide data meter pulses, a charge of \$15.00 per month per installed set of pulse-generating equipment will be made to those data pulses. Time pulses will not be supplied.

**METER DATA PROCESSING CHARGE**

A charge of \$2.75 per report will be made to cover the cost of processing, generating, and providing recorder metered customer with profile reports. If a customer is not recorder metered and desires to have such metering installed, the customer will pay all costs associated with installing the recorder meter.

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**Date of Issue:**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 50

Standard Rate Rider

CSR10  
Curtailed Service Rider 10

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This rider shall be made available to customers served under applicable power schedules who contract for not less than 1,000 kilowatts individually. The aggregate service under P.S.C. No. 16, CSR10 and CSR30 for Kentucky Utilities Company is limited to 100 megawatts in addition to the contracted curtailable load under P.S.C. No. 14, CSR1 and CSR3 for Kentucky Utilities Company as of August 1, 2010.

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## CONTRACT OPTION

Customer may, at Customer's option, contract with Company to curtail service upon notification by Company. Requests for curtailment shall not exceed three hundred and seventy-five (375) hours per year nor shall any single request for curtailment be for less than thirty (30) minutes or for more than fourteen (14) hours per calendar day, with no more than two (2) requests for curtailment per calendar day within these parameters. A curtailment is a continuous event with a start and stop time that may have both physical curtailments and buy-through options within the interval between the start and stop time. Company may request or cancel a curtailment at any time during any hour of the year, but shall give no less than ten (10) minutes notice when either requesting or canceling a curtailment.

Company may request at its sole discretion up to 100 hours of physical curtailment per year without a buy-through option during system reliability events. For the purposes of this rider, a system reliability event is any condition or occurrence: 1) that impairs KU and LG&E's ability to maintain service to contractually committed system load; 2) where KU and LG&E's ability to meet their compliance obligations with NERC reliability standards cannot otherwise be achieved; or 3) that KU and LG&E reasonably anticipate will last more than six hours and could require KU and LG&E to call upon automatic reserve sharing ("ARS") at some point during the event. Company may also request at its sole discretion up to 275 hours of curtailment per year with a buy-through option, whereby Customer may, at its option, choose either to curtail service in accordance with this Rider or to continue to purchase its curtailable requirements by paying the Automatic Buy-Through Price, as set forth below, for all kilowatt hours of curtailable requirements.

Curtailed load and compliance with a request for curtailment shall be measured in one of the following ways:

Option A -- Customer may contract for a given amount of firm demand, as measured on the demand basis of the standard rate on which Customer is billed. During a request for physical curtailment, Customer shall reduce its demand to the firm demand designated in the contract. During a request for curtailment with a buy-through option, the Automatic Buy-Through Price, as applicable, shall apply to the difference in the actual kWh during any requested curtailment and the contracted firm demand multiplied by the time period (hours) of curtailment [Actual kWh - (firm kVA x hours curtailed)]. The measured demand in excess of the firm load during each requested physical curtailment in the billing period shall be the measure of non-compliance, as measured on the demand basis of the standard rate on which Customer is billed.

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Date of Issue:

Date Effective: January 1, 2013

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

**Standard Rate Rider**

**CSR10  
Curtable Service Rider 10**

Option B -- Customer may contract for a given amount of curtable load by which Customer shall agree to reduce its demand at any time by such Designated Curtable Load. During a request for physical curtable, Customer shall reduce its demand to a level equal to the maximum demand (as measured on the demand basis of the standard rate on which Customer is billed) immediately prior to the curtable less the designated curtable load. During a request for curtable with a buy-through option, the Automatic Buy-Through Price shall apply to the difference in the actual kWh during any requested curtable and the product of Customer's maximum load immediately preceding curtable less Customer's designated curtable load designated in the contract multiplied by the time period (hours) of a requested curtable {Actual kWh – [(Max kVA preceding – Designated Curtable kVA) x hours of requested curtable]}. Non-compliance for each requested physical curtable shall be the measured positive value determined by subtracting (i) Customer's designated curtable load from (ii) Customer's maximum demand immediately preceding the curtable and then subtracting such difference from (iii) the Customer's maximum demand during such curtable.

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**RATE**

Customer will receive the following credits for curtable service during the month:

Transmission Voltage Service      \$ 5.40 per kVA of Curtable Billing Demand

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Primary Voltage Service      \$ 5.50 per kVA of Curtable Billing Demand

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Non-Compliance Charge of:      \$16.00 per kVA

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Failure of Customer to curtable when requested to do so may result in termination of service under this rider. Customer will be charged for the portion of each requested curtable not met at the applicable standard charges. The Company and Customer may arrange to have installed, at Customer's expense, the necessary telecommunication and control equipment to allow the Company to control Customers' curtable load. Non-compliance charges will be waived if failure to curtable is a result of failure of Company's equipment; however, non-compliance charges will not be waived if failure to curtable is a result of Customer's equipment. If arrangements are made to have telecommunication and control equipment installed, then backup arrangements must also be established in the event either Company's or Customer's equipment fails.

**CURTABLE BILLING DEMAND**

For a Customer electing Option A, Curtable Billing Demand shall be the difference between (a) the Customer's measured maximum demand during the billing period for any billing interval during the following time periods: (i) for the summer peak months of May through September, from 10 A.M. to 10 P.M.(EST) and (ii) for the months October continuously through April, from 6 A.M. to 10 P.M, (EST) and (b) the firm contract demand.

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For a Customer electing Option B, Curtable Billing Demand shall be the customer Designated Curtable Load, as described above.

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 50.2

Standard Rate Rider

CSR10  
Curtable Service Rider 10

## **AUTOMATIC BUY-THROUGH PRICE**

The Automatic Buy-Through Price per kWh shall be determined daily in accordance with the following formula:

$$\text{Automatic Buy-Through Price} = \text{NGP} \times .012000 \text{ MMBtu/kWh}$$

Where: NGP represents the mid-point price for natural gas (\$/MMBtu) posted for the day in *Platts Gas Daily* for Dominion—South Point and will be used for the electrical day from 12 midnight to midnight. Also the posted price for Monday or the day after a holiday is the posted price for Saturday, Sunday and the holiday.

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## **TERM OF CONTRACT**

The minimum original contract period shall be one (1) year and thereafter until terminated by giving at least six (6) months previous written notice, but Company may require that contract be executed for a longer initial term when deemed reasonably necessary by the size of the load or other conditions.

## **TERMS AND CONDITIONS**

When the Company requests curtailment, upon request by the Customer, the Company shall provide a good-faith, non-binding estimate of the duration of requested curtailment. In addition, upon request by the Company, the Customer shall provide to the Company a good-faith, non-binding short-term operational schedule for their facility. Upon request by the Customer, the Company will provide, once per month, to the Customer an explanation of the reasons for any request for curtailment.

Except as specified above, all other provisions of the power rate to which this schedule is a rider shall apply.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Kentucky Utilities Company

Standard Rate Rider

CSR30  
Curtailed Service Rider 30

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This rider shall be made available to customers served under applicable power schedules who contract for not less than 1,000 kilowatts individually. The aggregate service under P.S.C. No. 16, CSR10 and CSR30 for Kentucky Utilities Company is limited to 100 megawatts in addition to the contracted curtailable load under P.S.C. No. 14, CSR1 and CSR3 for Kentucky Utilities Company as of August 1, 2010.

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## CONTRACT OPTION

Customer may, at Customer's option, contract with Company to curtail service upon notification by Company. Requests for curtailment shall not exceed three hundred and fifty (350) hours per year nor shall any single request for curtailment be for less than thirty (30) minutes or for more than fourteen (14) hours per calendar day, with no more than two (2) requests for curtailment per calendar day within these parameters. A curtailment is a continuous event with a start and stop time that may have both physical curtailments and buy-through options within the interval between the start and stop time. Company may request or cancel a curtailment at any time during any hour of the year, but shall give no less than thirty (30) minutes notice when either requesting or canceling a curtailment.

Company may request at its sole discretion up to 100 hours of physical curtailment per year without a buy-through option during system reliability events. For the purposes of this rider, a system reliability event is any condition or occurrence: 1) that impairs KU and LG&E's ability to maintain service to contractually committed system load; 2) where KU and LG&E's ability to meet their compliance obligations with NERC reliability standards cannot otherwise be achieved; or 3) that KU and LG&E reasonably anticipate will last more than six hours and could require KU and LG&E to call upon automatic reserve sharing ("ARS") at some point during the event. Company may also request at its sole discretion up to 250 hours of curtailment per year with a buy-through option, whereby Customer may, at its option, choose either to curtail service in accordance with this Rider or to continue to purchase its curtailable requirements by paying the Automatic Buy-Through Price, as set forth below, for all kilowatt hours of curtailable requirements.

Curtailed load and compliance with a request for curtailment shall be measured in one of the following ways:

Option A -- Customer may contract for a given amount of firm demand, as measured on the demand basis of the standard rate on which Customer is billed. During a request for physical curtailment, Customer shall reduce its demand to the firm demand designated in the contract. During a request for curtailment with a buy-through option, the Automatic Buy-Through Price, as applicable, shall apply to the difference in the actual kWh during any requested curtailment and the contracted firm demand multiplied by the time period (hours) of curtailment [Actual kWh - (firm kVA x hours curtailed)]. The measured demand in excess of the firm load during each requested physical curtailment in the billing period shall be the measure of non-compliance, as measured on the demand basis of the standard rate on which Customer is billed.

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Date of Issue:

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# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 51.1

Standard Rate Rider

## CSR30 Curtaileable Service Rider 30

Option B -- Customer may contract for a given amount of curtaileable load by which Customer shall agree to reduce its demand at any time by such Designated Curtaileable Load. During a request for physical curtailment, Customer shall reduce its demand to a level equal to the maximum demand (as measured on the demand basis of the standard rate on which Customer is billed) immediately prior to the curtailment less the designated curtaileable load. During a request for curtailment with a buy-through option, the Automatic Buy-Through Price shall apply to the difference in the actual kWh during any requested curtailment and the product of Customer's maximum load immediately preceding curtailment less Customer's designated curtaileable load designated in the contract multiplied by the time period (hours) of a requested curtailment {Actual kWh – [(Max kVA preceding – Designated Curtaileable kVA) x hours of requested curtailment]}. Non-compliance for each requested physical curtailment shall be the measured positive value determined by subtracting (i) Customer's designated curtaileable load from (ii) Customer's maximum demand immediately preceding the curtailment and then subtracting such difference from (iii) the Customer's maximum demand during such curtailment.

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### RATE

Customer will receive the following credits for curtaileable service during the month:

Transmission Voltage Service	\$ 4.30 per kVA of Curtaileable Billing Demand	T
Primary Voltage Service	\$ 4.40 per kVA of Curtaileable Billing Demand	T
Non-Compliance Charge of:	\$16.00 per kVA	T

Failure of Customer to curtail when requested to do so may result in termination of service under this rider. Customer will be charged for the portion of each requested curtailment not met at the applicable standard charges. The Company and Customer may arrange to have installed, at Customer's expense, the necessary telecommunication and control equipment to allow the Company to control Customers' curtaileable load. Non-compliance charges will be waived if failure to curtail is a result of failure of Company's equipment; however, non-compliance charges will not be waived if failure to curtail is a result of Customer's equipment. If arrangements are made to have telecommunication and control equipment installed, then backup arrangements must also be established in the event either Company's or Customer's equipment fails.

### CURTAILEABLE BILLING DEMAND

For a Customer electing Option A, Curtaileable Billing Demand shall be the difference between (a) the Customer's measured maximum demand during the billing period for any billing interval during the following time periods: (i) for the summer peak months of May through September, from 10 A.M. to 10 P.M. (EST) and (ii) for the months October continuously through April, from 6 A.M. to 10 P.M. (EST) and (b) the firm contract demand.

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**Date of Issue:**

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# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 51.2

Standard Rate Rider

CSR30  
Curtable Service Rider 30

## CURTAILABLE BILLING DEMAND (continued)

For a Customer electing Option B, Curtable Billing Demand shall be the customer Designated Curtable Load, as described above.

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## AUTOMATIC BUY-THROUGH PRICE

The Automatic Buy-Through Price per kWh shall be determined daily in accordance with the following formula:

$$\text{Automatic Buy-Through Price} = \text{NGP} \times .012000 \text{ MMBtu/kWh}$$

Where: NGP represents the mid-point price for natural gas (\$/MMBtu) posted for the day in *Platts Gas Daily* for Dominion—South Point and will be used for the electrical day from 12 midnight to midnight. Also the posted price for Monday or the day after a holiday is the posted price for Saturday, Sunday and the holiday.

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## TERM OF CONTRACT

The minimum original contract period shall be one (1) year and thereafter until terminated by giving at least six (6) months previous written notice, but Company may require that contract be executed for a longer initial term when deemed reasonably necessary by the size of the load or other conditions.

## TERMS AND CONDITIONS

When the Company requests curtailment, upon request by the Customer, the Company shall provide a good-faith, non-binding estimate of the duration of requested curtailment. In addition, upon request by the Company, the Customer shall provide to the Company a good-faith, non-binding short-term operational schedule for their facility. Upon request by the Customer, the Company will provide, once per month, to the Customer an explanation of the reasons for any request for curtailment.

Except as specified above, all other provisions of the power rate to which this schedule is a rider shall apply.

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**Date of Issue:**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 55

Standard Rate Rider

SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

## APPLICABLE:

In all territory served.

## AVAILABILITY OF SERVICE

This rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy only from the owner of qualifying cogeneration or small power production facilities of 100 kW or less (such owner being hereafter called "Seller") installed on Seller's property to provide all or part of its requirements of electrical energy, or from which facilities Seller may elect to sell to Company all or part of such output of electrical energy.

Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under "Parallel Operation".

Company will purchase such energy from Seller at the Rate, A or B, set out below and selected as hereafter provided, and under the terms and conditions stated herein. Company reserves the right to change the said Rates, upon proper filing with and acceptance by the jurisdictional Commission.

## RATE A: TIME-DIFFERENTIATED RATE

1. For summer billing months of June, July, August and September, during the hours 9:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), \$0.04538 per kWh
2. For winter billing months of December, January and February, during the hours 7:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), \$0.04023 per kWh
3. During all other hours (off-peak hours) \$0.03139 per kWh

Determination of On-Peak and Off-Peak Hours: On-peak hours are defined as the hours of 9:01 A.M. through 10:00 P.M., E.D.T. (8:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 1 above), and the hours of 7:01 A.M. through 10:00 P.M., E.D.T. (6:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 2 above). Off-peak hours are defined as all hours other than those listed as on-peak (under 3 above). Company reserves the right to change the hours designated as on-peak from time to time as conditions indicate to be appropriate.

## RATE B: NON-TIME-DIFFERENTIATED RATE

For all kWh purchased by Company, \$0.03418 per kWh

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**Date of Issue:**

**Date Effective: June 30, 2010**

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

**Standard Rate Rider**

**SQF**

**Small Capacity Cogeneration and Small Power Production Qualifying Facilities**

**SELECTION OF RATE AND METERING**

Subject to provisions hereafter in this Section relative to payment of costs of metering equipment, either Seller or Company may select Rate A, the Time-Differentiated Rate, for application to Company's said purchases of energy from Seller. If neither Seller nor Company selects Rate A, then Rate B, the Non-Time-Differentiated Rate, shall apply.

If neither Seller nor Company selects Rate A, and Rate B therefore is to apply to such purchases, Company, at Seller's cost, will install, own and operate a non-time-differentiated meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system. Such meter will be tested at intervals prescribed by Commission Regulation, with Seller having a right to witness all such tests; and Seller will pay to Company its fixed cost on such meter and equipment, expense of such periodic tests of the meter and any other expenses (all such costs and expenses, together, being hereafter called "costs of non-time-differentiated metering").

If either Seller or Company selects Rate A to apply to Company's said purchases of energy from Seller, the party (Seller or Company) so selecting Rate A shall pay (a) the cost of a time-differentiated recording meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system, required for the application of Rate A, in excess of (b) the costs of non-time-differentiated metering which shall continue to be paid by Seller.

In addition to metering referred to above, Company at its option and cost may install, own and operate, on Seller's generator, a recording meter to record the capacity, energy and reactive output of such generator at specified time intervals.

Company shall have access to all such meters at reasonable times during Seller's normal business hours, and shall regularly provide to Seller copies of all information provided by such meters.

**PAYMENT**

Any payment due from Company to Seller will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from date of Company's reading of meter; provided, however, that, if Seller is a customer of Company, in lieu of such payment Company may offset its payment due to Seller hereunder, against Seller's next bill and payment due to Company for Company's service to Seller as customer.

**PARALLEL OPERATION**

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

1. Prior to installation in Seller's system of any generator and associated facilities which are intended to be interconnected and operated in parallel with Company's system, or prior to the inter-connection to Company's system of any such generator and associated facilities already installed in Seller's system, Seller will provide to Company plans for such generator

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

**Standard Rate Rider**

**SQF**

**Small Capacity Cogeneration and Small Power Production Qualifying Facilities**

and facilities. Company may, but shall have no obligation to, examine such plans and disapprove them in whole or in part, to the extent Company believes that such plans and proposed facilities will not adequately assure the safety of Company's facilities or system. Seller acknowledges and agrees that the sole purpose of any Company examination of such plans is the satisfaction of Company's interest in the safety of Company's own facilities and system, and that Company shall have no responsibility of any kind to Seller or to any other party in connection with any such examination. If Seller thereafter proposes any change from such plans submitted to Company, prior to the implementation thereof Seller will provide to Company new plans setting out such proposed change(s).

2. Seller will own, install, operate and maintain all generating facilities on its plant site, such facilities to include, but not be limited to, (a) protective equipment between the systems of Seller and Company and (b) necessary control equipment to synchronize frequency and voltage between such two systems. Seller's voltage at the point of interconnection will be the same as Company's system voltage. Suitable circuit breakers or similar equipment, as specified by Company, will be furnished by Seller at a location designated by Company to enable the separation or disconnection of the two electrical systems. Except in emergencies, the circuit breakers, or similar equipment, will be operated only by, or at the express direction of, Company personnel and will be accessible to Company at all times. In addition, a circuit breaker or similar equipment shall be furnished and installed by Seller to separate or disconnect Seller's generator.
3. Seller will be responsible for operating the generator and all facilities owned by Seller, except as hereafter specified. Seller will maintain its system in synchronization with Company's system.
4. Seller will (a) pay Company for all damage to Company's equipment, facilities or system, and (b) save and hold Company harmless from all claims, demands and liabilities of every kind and nature for injury or damage to, or death of, persons and/or property of others, including costs and expenses of defending against the same, arising in any manner in connection with Seller's generator, equipment, facilities or system or the operation thereof.
5. Seller will construct any additional facilities, in addition to generating and associated (interface) facilities, required for interconnection unless Company and Seller agree to Company's constructing such facilities, at Seller's expense, where Seller is not a customer of Company. When Seller is a customer of Company and Company is required to construct facilities different than otherwise required to permit interconnection, Seller shall pay such additional cost of facilities. Seller agrees to reimburse Company, at the time of installation, or, if agreed to by both parties, over a period of up to three (3) years, for any facilities including any hereafter required (but exclusive of metering equipment, elsewhere herein provided for) constructed by Company to permit Seller to operate interconnected with Company's system. When interconnection costs are repaid over a period of time, such payments will be made monthly and include interest on the unpaid balance at the percentage rate equal to the capital costs that Company would experience at such time by new financing, based on Company's then existing capital structure, with return on equity to be at the rate allowed in Company's immediately preceding rate case.

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**Date of Issue:**

**Date Effective: December 5, 1985**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 55.3

Standard Rate Rider

SQF

## Small Capacity Cogeneration and Small Power Production Qualifying Facilities

6. Company will have the continuing right to inspect and approve Seller's facilities, described herein, and to request and witness any tests necessary to determine that such facilities are installed and operating properly; but Company will have no obligation to inspect or approve facilities, or to request or witness tests; and Company will not in any manner be responsible for Seller's facilities or any operation thereof.
7. Seller assumes all responsibility for the electric service upon Seller's premises at and from the point of any delivery or flow of electricity from Company, and for the wires and equipment used in connection therewith; and Seller will protect and save Company harmless from all claims for injury or damage to persons or property, including but not limited to property of Seller, occurring on or about Seller's premises or at and from the point of delivery or flow of electricity from Company, occasioned by such electricity or said wires and equipment, except where said injury or damage is proved to have been caused solely by the negligence of Company.
8. Each, Seller and Company, will designate one or more Operating Representatives for the purpose of contacts and communications between the parties concerning operations of the two systems.
9. Seller will notify Company's Energy Control Center prior to each occasion of Seller's generator being brought into or (except in cases of emergencies) taken out of operation.
10. Company reserves the right to curtail a purchase from Seller when:
  - (a) the purchase will result in costs to Company greater than would occur if the purchase were not made but instead Company, itself, generated an equivalent amount of energy; or
  - (b) Company has a system emergency and purchases would (or could) contribute to such emergency.

Seller will be notified of each curtailment.

### TERMS AND CONDITIONS

Except as provided herein, conditions or operations will be as provided in Company's Terms and Conditions.

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**Date of Issue:**

**Date Effective: December 5, 1985**

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

**Standard Rate Rider**

**LQF**

**Large Capacity Cogeneration and Small Power Production Qualifying Facilities**

**AVAILABILITY**

In all territory served.

**APPLICABILITY OF SERVICE**

Applicable to any small power production or cogeneration "qualifying facility" with capacity over 100 kW as defined by the Kentucky Public Service Commission Regulation 807 KAR 5:054, and which contracts to sell energy or capacity or both to Company.

**RATES FOR PURCHASES FROM QUALIFYING FACILITIES**

**Energy Component Payments**

The hourly avoided energy cost (AEC) in \$ per MWh, which is payable to a QF for delivery of energy, shall be equal to Company's actual variable fuel expenses, for Company-owned coal and natural gas-fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to  $[AEC \times E_{QF}]$ , where  $E_{QF}$  is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering.

**Capacity Component Payments**

The hourly avoided capacity cost (ACC) in \$ per MWh, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to Company from the inter-utility market (which includes both energy and capacity charges) less Company's actual variable fuel expense (AEC). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to  $[ACC \times CAP_i]$ , where  $CAP_i$ , the capacity delivered by the QF, is determined on the basis of the system demand ( $D_i$ ) and Company's need for capacity in that hour to adequately serve the load.

**Determination of  $CAP_i$**

For the following determination of  $CAP_i$ ,  $C_{KU}$  represents Company's installed or previously arranged capacity at the time a QF signs a contract to deliver capacity;  $C_{QF}$  represents the actual capacity provided by a QF, but no more than the contracted capacity; and  $C_M$  represents capacity purchased from the inter-utility market.

1. System demand is less than or equal to Company's capacity:  
 $D_i \leq C_{KU}$ ;  $CAP_i = 0$
2. System demand is greater than Company's capacity but less than or equal to the total of Company's capacity and the capacity provided by a QF:

$$C_{KU} < D_i \leq [C_{KU} + C_{QF}]; \quad CAP_i = C_M$$

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**Date of Issue:**

**Date Effective:** April 17, 1999

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



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**Standard Rate Rider**

**LQF**

**Large Capacity Cogeneration and Small Power Production Qualifying Facilities**

3. System demand is greater than the total of Company's capacity and the capacity provided by a QF:

$$D_i > [C_{KU} + C_{QF}] ; \quad CAP_i = C_{QF}$$

**PAYMENT**

Company shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within sixteen (16) business days (no less than twenty-two (22) calendar days) of the date the bill is rendered. In lieu of such payment plan, Company will, upon written request, credit the Customer's account for such purchases.

**TERM OF CONTRACT**

For contracts which cover the purchase of energy only, the term shall be one (1) year, and shall be self-renewing from year-to-year thereafter, unless canceled by either party on one (1) year's written notice.

For contracts which cover the purchase of capacity and energy, the term shall be five (5) years.

**TERMS AND CONDITIONS**

1. Qualifying facilities shall be required to pay for any additional interconnection costs, to the extent that such costs are in excess of those that Company would have incurred if the qualifying facility's output had not been purchased.
2. A qualifying facility operating in parallel with Company must demonstrate that its equipment is designed, installed, and operated in a manner that insures safe and reliable interconnected operation. A qualifying facility should contact Company for assistance in this regard.
3. The purchasing, supplying and billing for service, and all conditions applying hereto, shall be specified in the contract executed by the parties, and are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Terms and Conditions currently in effect, as filed with the Commission.

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**Date of Issue:**

**Date Effective: April 17, 1999**

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

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**Standard Rate Rider**

**NMS  
Net Metering Service**

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

Available to any customer-generator who owns and operates a generating facility located on Customer's premises that generates electricity using solar, wind, biomass or biogas, or hydro energy in parallel with Company's electric distribution system to provide all or part of Customer's electrical requirements, and who executes Company's written Application for Interconnection and Net Metering. The generation facility shall be limited to a maximum rated capacity of 30 kilowatts. This Standard Rate Rider is intended to comply with all provisions of the Interconnection and Net Metering Guidelines approved by the Public Service Commission of Kentucky, which can be found on-line at [www.psc.ky.gov](http://www.psc.ky.gov) as Appendix A to the January 8, 2009 Order in Administrative Case No. 2008-00169.

**METERING AND BILLING**

Net metering service shall be measured using a single meter or, as determined by Company, additional meters and shall be measured in accordance with standard metering practices by metering equipment capable of registering power flow in both directions for each time period defined by the applicable rate schedule. This net metering equipment shall be provided without any cost to the Customer. This provision does not relieve Customer's responsibility to pay metering costs embedded in the Company's Commission-approved base rates. Additional meters, requested by Customer, will be provided at Customer's expense.

If electricity generated by Customer and fed back to Company's system exceeds the electricity supplied to Customer from the system during a billing period, Customer shall receive a credit for the net delivery on Customer's bill for the succeeding billing periods. Any such unused excess credits will be carried forward and drawn on by Customer as needed. Unused excess credits existing at the time Customer's service is terminated end with Customer's account and are not transferrable between customers or locations.

**NET METERING SERVICE INTERCONNECTION GUIDELINES**

General – Customer shall operate the generating facility in parallel with Company's system under the following conditions and any other conditions required by Company where unusual circumstances arise not covered herein:

1. Customer to own, operate, and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between Customer's and Company's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as Company's system voltage.
2. Customer will be responsible for operating all generating facilities owned by Customer, except as specified hereinafter. Customer will maintain its system in synchronization with Company's system.
3. Customer will be responsible for any damage done to Company's equipment due to failure of Customer's control, safety, or other equipment.
4. Customer agrees to inform Company of any changes it wishes to make to its generating or associated facilities that differ from those initially installed and described to Company in writing and obtain prior approval from Company.
5. Company will have the right to inspect and approve Customer's facilities described herein, and to conduct any tests necessary to determine that such facilities are installed and

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**Date of Issue:**

**Date Effective: August 17, 2009**

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

Standard Rate Rider

**NMS**  
**Net Metering Service**

**NET METERING SERVICE INTERCONNECTION GUIDELINES (continued)**

operating properly; however, Company will have no obligation to inspect, witness tests, or in any manner be responsible for Customer's facilities or operation thereof.

6. Customer assumes all responsibility for the electric service on Customer's premises at and from the point of delivery of electricity from Company and for the wires and equipment used in connection therewith, and will protect and save Company harmless from all claims for injury or damage to persons or property occurring on Customer's premises or at and from the point of delivery of electricity from Company, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence or willful misconduct of Company.

Level 1 – A Level 1 installation is defined as an inverter-based generator certified as meeting the requirements of Underwriters Laboratories Standard 1741 and meeting the following conditions:

1. The aggregated net metering generation on a radial distribution circuit will not exceed 15% of the line section's most recent one hour peak load. A line section is the smallest part of the primary distribution system the generating facility could remain connected to after operation of any sectionalizing devices.
2. The aggregated net metering generation on a shared singled-phase secondary will not exceed 20 kVA or the nameplate rating of the service transformer.
3. A single-phase net metering generator interconnected on the center tap neutral of a 240 volt service shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.
4. A net metering generator interconnected to Company's three-phase, three-wire primary distribution lines, shall appear as a phase-to-phase connection to Company's primary distribution line.
5. A net metering generator interconnected to Company's three-phase, four-wire primary distribution lines, shall appear as an effectively grounded source to Company's primary distribution line.
6. A net metering generator will not be connected to an area or spot network.
7. There are no identified violations of the applicable provisions of IEEE 1547, "Standard for Interconnecting Distributed Resources with Electric Power Systems".
8. Company will not be required to construct any facilities on its own system to accommodate the net metering generator.

Customer desiring a Level 1 interconnection shall submit a "LEVEL 1 - Application for Interconnection and Net Metering." Company shall notify Customer within 20 business days as to whether the request is approved or, if denied, the reason(s) for denial. If additional information is required, the Company will notify Customer, and the time between notification and submission of the information shall not be counted towards the 20 business days. Approval is contingent upon an initial inspection and witness test at the discretion of Company.

Level 2 – A Level 2 installation is defined as generator that is not inverter-based; that uses equipment not certified as meeting the requirements of Underwriters Laboratories Standard 1741, or that does not meet one or more of the conditions required of a Level 1 net metering generator. A Level 2 Application will be approved if the generating facility meets the Company's technical interconnection requirements. Those requirements are available on line at [www.lge-ku.com](http://www.lge-ku.com) and upon request.

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**Date of Issue:**

**Date Effective: November 1, 2010**

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

Standard Rate Rider

**NMS**  
**Net Metering Service**

**NET METERING SERVICE INTERCONNECTION GUIDELINES (continued)**

Customer desiring a Level 2 interconnection shall submit a "LEVEL 2 - Application for Interconnection and Net Metering." Company shall notify Customer within 30 business days as to whether the request is approved or, if denied, the reason(s) for denial. If additional information is required, the Company will notify Customer, and the time between notification and submission of the information shall not be counted towards the 30 business days. Approval is contingent upon an initial inspection and witness test at the discretion of Company.

Customer submitting a "Level 2 - Application for Interconnection and Net Metering will provide a non-refundable inspection and processing fee of \$100, and in the event that the Company determines an impact study to be necessary, shall be responsible for any reasonable costs of up to \$1,000 of documented costs for the initial impact study.

Additional studies requested by Customer shall be at Customer's expense.

**CONDITIONS OF INTERCONNECTION**

Customer may operate his net metering generator in parallel with Company's system when complying with the following conditions:

1. Customer shall install, operate, and maintain, at Customer's sole cost and expense, any control, protective, or other equipment on Customer's system required by Company's technical interconnection requirements based on IEEE 1547, NEC, accredited testing laboratories, and the manufacturer's suggested practices for safe, efficient and reliable operation of the net metering generating facility in parallel with Company's system. Customer bears full responsibility for the installation, maintenance and safe operation of the net metering generating facility. Upon reasonable request from Company, Customer shall demonstrate compliance.
2. Customer shall represent and warrant compliance of the net metering generator with:
  - a) any applicable safety and power standards established by IEEE and accredited testing laboratories;
  - b) NEC, as may be revised from time-to-time;
  - c) Company's rules and regulations and Terms and Conditions, as may be revised by time-to-time by the Public Service Commission of Kentucky;
  - d) the rules and regulations of the Public Service Commission of Kentucky, as may be revised by time-to-time by the Public Service Commission of Kentucky;
  - e) all other local, state, and federal codes and laws, as may be in effect from time-to-time.
3. Any changes or additions to Company's system required to accommodate the net metering generator shall be Customer's financial responsibility and Company shall be reimbursed for such changes or additions prior to construction.
4. Customer shall operate the net metering generator in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Company's electric system. Customer shall so operate the generating facility in such a manner that no adverse impacts will be produced thereby to the service quality rendered by Company to any of its other customers or to any electric system interconnected with Company's electric system.
5. Customer shall be responsible for protecting, at Customer's sole cost and expense, the net metering generating facility from any condition or disturbance on Company's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges, except that the Company shall be responsible for repair of damage caused to the net metering

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**Date of Issue:**

**Date Effective: April 17, 1999**

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

Standard Rate Rider

**NMS**  
**Net Metering Service**

**CONDITIONS OF INTERCONNECTION (continued)**

- generator resulting solely from the negligence or willful misconduct on the part of the Company.
6. Following the initial testing and inspection of the generating facility and upon reasonable advance notice to Customer, Company shall have access at reasonable times to the generating facility to perform reasonable on-site inspections to verify that the installation, maintenance and operation of the net metering generator comply with the requirements of this rate schedule.
  7. Where required by the Company, Customer shall furnish and install on Customer's side of the point of interconnection a safety disconnect switch which shall be capable of fully disconnecting Customer's net metering generator from Company's electric service under the full rated conditions of Customer's net metering generator. The external disconnect switch (EDS) shall be located adjacent to Company's meters or the location of the EDS shall be noted by placing a sticker on the meter, and shall be of the visible break type in a metal enclosure which can be secured by a padlock. If the EDS is not located directly adjacent to the meter, Customer shall be responsible for ensuring the location of the EDS is properly and legibly identified for so long as the net metering generator is operational. The disconnect switch shall be accessible to Company personnel at all times. Company may waive the requirement for an external disconnect switch for a net metering generator at its sole discretion, and on a case by case basis.
  8. Company shall have the right and authority at Company's sole discretion to isolate the generating facility or require the Customer to discontinue operation of the net metering generator if Company believes that:
    - a) continued interconnection and parallel operation of the net metering generator with Company's electric system creates or contributes (or may create or contribute) to a system emergency on either Company's or Customer's electric system;
    - b) the net metering generator is not in compliance with the requirements of this rate schedule, and the non-compliance adversely affects the safety, reliability or power quality of Company's electric system; or
    - c) the net metering generator interferes with the operation of Company's electric system.In non-emergency situations, Company shall give Customer notice of noncompliance including a description of the specific noncompliance condition and allow Customer a reasonable time to cure the noncompliance prior to isolating the Generating Facilities. In emergency situations, where the Company is unable to immediately isolate or cause Customer to isolate only the net metering generator, Company may isolate Customer's entire facility.
  9. Customer agrees that, without the prior written permission from Company, no changes shall be made to the generating facility as initially approved. Increases in net metering generator capacity will require a new "Application for Interconnection and Net Metering" which will be evaluated on the same basis as any other new application. Repair and replacement of existing generating facility components with like components that meet UL 1741 certification requirements for Level 1 facilities and not resulting in increases in net metering generator capacity is allowed without approval.
  10. Customer shall protect, indemnify and hold harmless Company and its directors, officers, employees, agents, representatives and contractors against and from all loss, claims, actions or suits, including costs and attorneys fees, for or on account of any injury or death of persons or damage to property caused by Customer or Customer's employees, agents, representatives and contractors in tampering with, repairing, maintaining or operating

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**Date of Issue:**

**Date Effective: April 17, 1999**

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

Standard Rate Rider

**NMS**  
**Net Metering Service**

**CONDITIONS OF INTERCONNECTION (continued)**

Customer's net metering generator or any related equipment or any facilities owned by Company except where such injury, death or damage was caused or contributed to by the fault or negligence of Company or its employees, agents, representatives or contractors.

The liability of Company to Customer for injury to person and property shall be governed by the tariff(s) for the class of service under which Customer is taking service.

11. Customer shall maintain general liability insurance coverage (through a standard homeowner's, commercial or other policy) for generating facilities. Customer shall upon request provide Company with proof of such insurance at the time that application is made for net metering.
12. By entering into an Interconnection Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, Company does not give any warranty, express or implied, as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics, of the generating facility equipment, controls, and protective relays and equipment.
13. Customer's generating facility is transferable to other persons or service locations only after notification to the Company has been made and verification that the installation is in compliance with this tariff. Upon written notification that an approved generating facility is being transferred to another person, customer, or location, the Company will verify that the installation is in compliance with this tariff and provide written notification to the customer(s) within 20 business days. If the installation is no longer in compliance with this tariff, the Company will notify Customer in writing and list what must be done to place the facility in compliance.
14. Customer shall retain any and all Renewable Energy Credits (RECs) generated by Customer's generating facilities.

**DEFINITIONS**

"Billing period" shall be the time period between the dates on which Company issues the customer's bills.

"Billing Period Credit" shall be the electricity generated by the customer that flows into the electric system and which exceeds the electricity supplied to the customer from the electric system during any billing period.

**TERMS AND CONDITIONS**

Except as provided herein, service will be furnished under Company's Terms and Conditions applicable hereto.

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**Date of Issue:**

**Date Effective: April 17, 1999**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 57.5

Standard Rate Rider

**NMS**  
**Net Metering Service**

## LEVEL 1

### Application for Interconnection and Net Metering

Use this application form only for a generating facility that is inverter based and certified by a nationally recognized testing laboratory to meet the requirements of UL 1741.

Submit this Application to:

Kentucky Utilities Company, Attn: Customer Commitment, P. O. Box 32010, Louisville, KY  
40232

If you have questions regarding this Application or its status, contact KU at:

502-627-2202 or customer.commitment@lge-ku.com

Customer Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Customer Address: \_\_\_\_\_

Customer Phone No.: \_\_\_\_\_ Customer E-mail Address: \_\_\_\_\_

Project Contact Person: \_\_\_\_\_

Phone No.: \_\_\_\_\_ E-mail Address (Optional): \_\_\_\_\_

Provide names and contact information for other contractors, installers, or engineering firms involved in the design and installation of the generating facilities:

Energy Source:  Solar  Wind  Hydro  Biogas  Biomass

Inverter Manufacturer and Model #: \_\_\_\_\_

Inverter Power Rating: \_\_\_\_\_ Inverter Voltage Rating: \_\_\_\_\_

Power Rating of Energy Source (i.e., solar panels, wind turbine): \_\_\_\_\_

Is Battery Storage Used:  No  Yes If Yes, Battery Power Rating: \_\_\_\_\_

Attach documentation showing that inverter is certified by a nationally recognized testing laboratory to meet the requirements of UL 1741.

Attach site drawing or sketch showing location of Utility's meter, energy source, (*optional: Utility accessible disconnect switch*) and inverter.

Attach single line drawing showing all electrical equipment from the Utility's metering location to the energy source including switches, fuses, breakers, panels, transformers, inverters, energy source, wire size, equipment ratings, and transformer connections.

Expected Start-up Date: \_\_\_\_\_

**Date of Issue:**

**Date Effective: November 1, 2010**

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

**Issued by Authority of an Order of the KPSC in Case Nos. 2009-00548 dated July 30, 2010 and 2010-00204 dated September 30, 2010**

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 57.6

Standard Rate Rider

**NMS**  
**Net Metering Service**

## LEVEL 2

### Application for Interconnection and Net Metering

*Use this application form when a generating facility is not inverter-based or is not certified by a nationally recognized testing laboratory to meet the requirements of UL 1741 or does not meet any of the additional conditions under Level 1.*

Submit this Application, along with an application fee of \$100, to:

Kentucky Utilities Company, Attn: Customer Commitment, P. O. Box 32010, Louisville, KY 40232

If you have questions regarding this Application or its status, contact KU at:

502-627-2202 or customer.commitment@lge-ku.com

Customer Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Customer Address: \_\_\_\_\_

Project Contact Person: \_\_\_\_\_

Phone No.: \_\_\_\_\_ E-mail Address (Optional): \_\_\_\_\_

Provide names and contact information for other contractors, installers, or engineering firms involved in the design and installation of the generating facilities:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Total Generating Capacity of Generating Facility: \_\_\_\_\_

Type of Generator:  Inverter-Based  Synchronous  Induction

Power Source:  Solar  Wind  Hydro  Biogas  Biomass

Adequate documentation and information must be submitted with this application to be considered complete. Typically this should include the following:

1. Single-line diagram of the customer's system showing all electrical equipment from the generator to the point of interconnection with the Utility's distribution system, including generators, transformers, switchgear, switches, breakers, fuses, voltage transformers, current transformers, wire sizes, equipment ratings, and transformer connections.
2. Control drawings for relays and breakers.
3. Site Plans showing the physical location of major equipment.
4. Relevant ratings of equipment. Transformer information should include capacity ratings, voltage ratings, winding arrangements, and impedance.
5. If protective relays are used, settings applicable to the interconnection protection. If programmable relays are used, a description of how the relay is programmed to operate as applicable to interconnection protection.
6. A description of how the generator system will be operated including all modes of operation.
7. For inverters, the manufacturer name, model number, and AC power rating. For certified inverters, attach documentation showing that inverter is certified by a nationally recognized testing laboratory to meet the requirements of UL 1741.
8. For synchronous generators, manufacturer and model number, nameplate ratings, and impedance data (Xd, Xd, & Xd).
9. For induction generators, manufacturer and model number, nameplate ratings, and locked rotor current.

Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### **Date of Issue:**

**Date Effective: November 1, 2010**

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

**Issued by Authority of an Order of the KPSC in Case Nos. 2009-00548 dated July 30, 2010 and 2010-00204 dated September 30, 2010**



**Standard Rate Rider**

**EF  
Excess Facilities**

**APPLICABILITY**

In all territory served.

**AVAILABILITY OF SERVICE**

This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by Company. This rider does not apply to line extensions or to other facilities which are necessary to provide basic electric service. Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term.

**DEFINITION OF EXCESS FACILITIES**

Excess facilities are lines and equipment which are installed in addition to or in substitution for the normal facilities required to render basic electric service and where such facilities are dedicated to a specific customer. Applications of excess facilities include, but are not limited to, emergency backup feeds, automatic transfer switches, redundant transformer capacity, and duplicate or check meters.

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**EXCESS FACILITIES CHARGE**

Company shall provide normal operation and maintenance of the excess facilities. Should the facilities suffer failure, Company will provide for replacement of such facilities and the monthly charge will be adjusted to reflect the installed cost of the replacement facilities. No adjustment in the monthly charge for a replacement of facilities will be made during the initial five (5) year term of contract.

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Customer shall pay for excess facilities by:

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(a) making a monthly Excess Facilities Charge payment equal to the installed cost of the excess facilities times the following percentage:

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Percentage With No Contribution-in-Aid-of-Construction	1.24%	
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(b) making a one-time Contribution-in-Aid-of-Construction equal to the installed cost of the excess facilities plus a monthly Excess Facilities Charge payment equal to the installed cost of the excess facilities times the following percentage:

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Percentage With Contribution-in-Aid of-Construction	0.48%	
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**PAYMENT**

The Excess Facilities Charges shall be incorporated with the bill for electric service and will be subject to the same payment provisions.

**TERM OF CONTRACT**

The initial term of contract to the customer under this schedule shall be not less than five (5) years. The term shall continue automatically until terminated by either party upon at least one (1) month's written notice.

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 61

Standard Rate Rider

## RC Redundant Capacity

### APPLICABLE

This rate is applicable to customers served under Company's rate schedules which include a demand charge or a special contract including a demand charge.

### AVAILABILITY

Available to customers requesting the reservation of capacity on Company's facilities which are shared by other customers when Company has and is willing to reserve such capacity. Such facilities represent a redundant delivery to provide electric service to the Customer's facility in the event that an emergency or unusual occurrence renders the Customer's principal delivery unavailable for providing service. Where Customer desires to split a load between multiple meters on multiple feeds and contract for Redundant Capacity on those feeds, service is contingent on the practicality of metering to measure any transferred load to the redundant feed.

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### RATE:

#### Capacity Reservation Charge

Secondary Distribution

\$1.49 per kW/kVA per month

I/T

Primary Distribution

\$1.25 per kW/kVA per month

I/T

Applicable to the greater of:

- (1) the highest average load in kW/kVA (as is appropriate for the demand basis of the standard rate on which Customer is billed) recorded at either the principal distribution feed metering point or at the redundant distribution feed metering point during any 15-minute interval in the monthly billing period;
- (2) 50% of the maximum demand similarly determined for any of the eleven (11) preceding months; or
- (3) the contracted capacity reservation.

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### TERM OF CONTRACT

The minimum contract term shall be five (5) years and shall be renewed for one-year periods until either party provides the other with ninety (90) days written notice of a desire to terminate the arrangement. Company may require that a contract be executed for a longer initial term when deemed necessary by the difficulty and/or high cost associated with providing the redundant feed or other special conditions.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 62

Standard Rate Rider

## SS Supplemental or Standby Service

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This service is available as a rider to customers whose premises or equipment are regularly supplied with electric energy from generating facilities other than those of Company and who desire to contract with Company for reserve, breakdown, supplemental or standby service.

Where a customer-generator supplies all or part of the customer-generator's own load and desires Company to provide supplemental or standby service for that load, the customer-generator must contract for such service under Company's Supplemental or Standby Service Rider, otherwise Company has no obligation to supply the non-firm service. This requirement does not apply to Net Metering Service (Rider NMS).

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### RATE

	Secondary	Primary	Transmission
Contract Demand per kW/kVA per Month	\$12.54	\$11.99	\$10.84

T/I

### CONTRACT DEMAND

Contract Demand is defined as the number of kW/kVA (as is appropriate for the demand basis of the standard rate on which Customer is billed) mutually agreed upon as representing customer's maximum service requirements and contracted for by customer; provided, however, if such number of kW/kVA (as is appropriate for the demand basis of the standard rate on which Customer is billed) is exceeded by a recorded demand, such recorded demand shall become the new contract demand commencing with the month in which recorded and continuing for the remaining term of the contract or until superseded by a higher recorded demand.

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### MINIMUM CHARGE

Electric service actually used each month will be charged for in accordance with the provisions of the applicable rate schedule; provided, however, the minimum billing under that rate schedule shall in no case be less than an amount calculated at the appropriate rate above applied to the Contract Demand.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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### SPECIAL TERMS AND CONDITIONS

- 1) In order to protect its equipment from overload damage, Company may require customer to install at Customer's own expense an approved shunt trip type breaker and an approved automatic pole-mounted disconnect. Such circuit breakers shall be under the sole control of Company and will be set by Company to break the connection with its service in the event customer's demand materially exceeds that for which the customer contracted.

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Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 62.1

Standard Rate Rider

**SS**  
**Supplemental or Standby Service**

## **SPECIAL TERMS AND CONDITIONS** (continued)

- 2) In the event customer's use of service is intermittent or subject to violent fluctuations, Company will require customer to install and maintain at Customer's own expense suitable equipment to satisfactorily limit such intermittence or fluctuations.
- 3) Customer's generating equipment shall not be operated in parallel with Company's service until the manner of such operation has been approved by Company and is in compliance with Company's operating standards for system reliability and safety.

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## **TERM OF CONTRACT**

The minimum contract period shall be one (1) year, but Company may require that a contract be executed for a longer initial term when deemed necessary by the size of load or special conditions.

## **TERMS AND CONDITIONS**

Service will be furnished under Company's Terms and Conditions except as provided herein.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

Standard Rate Rider

IL

Rider for Intermittent Loads

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

This schedule applies to all loads having a detrimental effect upon the electric service rendered to other customers of Company or upon Company's facilities.

Where Customer's use of service is intermittent, subject to violent or extraordinary fluctuations, or produces unacceptable levels of harmonic current, in each case as determined by Company, in its reasonable discretion, Company reserves the right to require Customer to furnish, at Customer's own expense, suitable equipment (as approved by Company in its reasonable discretion) to meter and limit such intermittence, fluctuation, or harmonics to the extent reasonably requested by Company. Without limiting the foregoing, Company may require such equipment if, at any time, the megavars, harmonics, and other desirable electrical characteristics produced by the Customer exceed the limits set forth in the IEEE standards for such characteristics. In addition, if the Customer's use of Company's service under this schedule causes such undesirable electrical characteristics in an amount exceeding those IEEE standards, such use shall be deemed to cause a dangerous condition which could subject any person to imminent harm or result in substantial damage to the property of Company or others, and Company shall therefore terminate service to the Customer in accordance with 807 KAR 5:006, Section 14(1)(b). Such a termination of service shall not be considered a cancellation of the service agreement or relieve Customer of any minimum billing or other guarantees. Company shall be held harmless for any damages or economic loss resulting from such termination of service. If requested by Company, Customer shall provide all available information to Company that aids Company in enforcing its service standards. If Company at any time has a reasonable basis for believing that Customer's proposed or existing use of the service provided will not comply with the service standards for interference, fluctuations, or harmonics, Company may engage such experts and/or consultants as Company shall determine are appropriate to advise Company in ensuring that such interference, fluctuations, or harmonics are within acceptable standards. Should such experts and/or consultants determine Customer's use of service is unacceptable, Company's use of such experts and/or consultants will be at the Customer's expense.

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**RATE**

1. A contribution in aid of construction or an excess facilities charge shall be required for all special or added facilities, if any, necessary to serve such loads, as provided under the Excess Facilities Rider.
2. Plus the charges provided for under the rate schedule applicable, including any Basic Service Charge if applicable, Energy Charge, Maximum Load Charge (if load charge rate is used), Fuel Clause and the Minimum Charge under such rate adjusted in accordance with (a) or (b) herein.
  - (a) If rate schedule calls for a minimum based on the total kW of connected load, each kVA of such special equipment shall be counted as one kW connected load for minimum billing purposes.
  - (b) If rate schedule calls for a minimum based on the 15-minute integrated load, and such loads operate only intermittently so that the kW registered on a standard 15-minute integrated demand meter is small in comparison to the instantaneous load such equipment is capable of imposing, each kVA of such special equipment shall be counted as one-third kW load for minimum billing purposes.

**MINIMUM CHARGE**

As determined by this Rider and the Rate Schedule to which it is attached.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 66

Standard Rate Rider

TS  
Temporary and/or Seasonal Electric Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This rider is available at the option of Customer where Customer's business does not require permanent installation of Company's facilities and is of such nature to require:

1. only seasonal service or temporary service, including service provided for construction of residences or commercial buildings, and where in the judgment of Company the local and system electrical facility capacities are adequate to serve the load without impairment of service to other customers; or
2. where Customer has need for temporary use of Company facilities and Company has facilities it is willing to provide.

This service is available for not less than one (1) month (approximately thirty (30) days), but when service is used longer than one (1) month, any fraction of a month's use will be prorated for billing purposes.

## CONDITIONS

Company may permit such electric loads to be served on the rate schedule normally applicable, but without requiring a yearly contract and minimum, substituting therefor the following conditions and agreements:

1. Customer shall pay Company for all costs of making temporary connections, including cost of installing necessary transformers, meters, poles, wire and any other material, and any cost of material which cannot be salvaged, and the cost of removing such facilities when load has ceased.
2. Customer shall pay regular rate of the applicable electric rate schedule.
3. Where Customer is receiving service under a standard rate and has need for temporary use of Company facilities, Customer will pay for non-salvageable materials outlined in (1) above plus a monthly charge for the salvageable equipment at the Percentage With No Contribution -in-Aid-of-Construction specified on the Excess Facilities Rider, Rate Sheet No. 60.

**Date of Issue:**

**Date Effective: January 1, 2013**

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

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Standard Rate Rider

**Kilowatt-Hours Consumed By Lighting Units**

**APPLICABLE**

Determination of energy set out below applies to the Company's non-metered lighting rate schedules.

**DETERMINATION OF ENERGY CONSUMPTION**

The applicable fuel clause charge or credit will be based on the kilowatt-hours calculated by multiplying the kilowatt load of each light times the number of hours that light is in use during the billing month. The kilowatt load of each light is shown in the section titled RATE. The number of hours a light will be in use during a given month is from dusk to dawn as shown in the following Hours Use Table.

<u>HOURS USE TABLE</u>	
<u>Month</u>	<u>Hours Light Is In Use</u>
JAN	407
FEB	344
MAR	347
APR	301
MAY	281
JUN	257
JUL	273
AUG	299
SEP	322
OCT	368
NOV	386
DEC	415
TOTAL FOR YEAR	4,000 HRS.

**Date of Issue:**

**Date Effective: March 1, 2000**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 70

Standard Rate Rider

SGE  
Small Green Energy Rider

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Service under this rider is available to customers receiving service under Company's standard RS or GS rate schedules as an option to participate in Company's "Green Energy Program" whereby Company will aggregate the resources provided by the participating customers to develop green power, purchase green power, or purchase Renewable Energy Certificates.

## DEFINITIONS

- a) Green power is that electricity generated from renewable sources including but not limited to: solar, wind, hydroelectric, geothermal, landfill gas, biomass, biodiesel used to generate electricity, agricultural crops or waste, all animal and organic waste, all energy crops and other renewable resources deemed to be Green-e Certified.
- b) A Renewable Energy Certificate ("REC") is the tradable unit which represents the commodity formed by unbundling the environmental-benefit attributes of a unit of green power from the underlying electricity. One REC is equivalent to the environmental-benefits attributes of one (1) MWh of green power.

## RATE

Voluntary monthly contributions of any amount in \$5.00 increments

## TERMS AND CONDITIONS

- a) Customers may contribute monthly as much as they like in \$5.00 increments (e.g., \$5.00, \$10.00, \$15.00, or more per month). An eligible customer may participate in Company's "Green Energy Program" by making a request to Company's Call Center or through Company's website enrollment form and may withdraw at any time through a request to Company's Call Center. Funds provided by Customer to Company are not refundable.
- b) Customers may not owe any arrearage prior to entering the "Green Energy Program". Any customer failing to pay the amount the customer pledged to contribute may be removed from the "Green Energy Program." Any Customer removed from or withdrawing from the "Green Energy Program" will not be allowed to re-apply for one (1) year.
- c) Customer will be billed monthly for the amount Customer has pledged to contribute to the "Green Energy Program." Such billing will be added to Customer's billing under any standard rate schedules plus applicable riders plus applicable adjustment clauses.

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**Date of Issue:**

**Date Effective: June 1, 2010**

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



# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 70.1

Standard Rate Rider

LGE  
Large Green Energy Rider

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Service under this rider is available to customers receiving service under Company's standard PS, TODS, TODP, RTS, or FLS rate schedules as an option to participate in Company's "Green Energy Program" whereby Company will aggregate the resources provided by the participating customers to develop green power, purchase green power, or purchase Renewable Energy Certificates.

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## DEFINITIONS

- a) Green power is that electricity generated from renewable sources including but not limited to: solar, wind, hydroelectric, geothermal, landfill gas, biomass, biodiesel used to generate electricity, agricultural crops or waste, all animal and organic waste, all energy crops and other renewable resources deemed to be Green-e Certified.
- b) A Renewable Energy Certificate ("REC") is the tradable unit which represents the commodity formed by unbundling the environmental-benefit attributes of a unit of green power from the underlying electricity. One REC is equivalent to the environmental-benefits attributes of one (1) MWh of green power.

## RATE

Voluntary monthly contributions of any amount in \$13.00 increments

## TERMS AND CONDITIONS

- a) Customers may contribute monthly as much as they like in \$13.00 increments, (e.g., \$13.00, \$26.00, \$39.00, or more per month). An eligible customer may participate in company's "Green Energy Program" by making a request to the Company and may withdraw at any time through a request to the Company. Funds provided by Customer to Company are not refundable.
- b) Customers may not owe any arrearage prior to entering the "Green Energy Program". Any customer failing to pay the amount the customer pledged to contribute may be removed from the "Green Energy Program." Any customer removed from or withdrawing from the "Green Energy Program" will not be allowed to re-apply for one (1) year.
- c) Customer will be billed monthly for the amount customer has pledged to contribute to the "Green Energy Program." Such billing will be added to Customer's billing under any standard rate schedules plus applicable riders plus applicable adjustment clauses.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 71

Standard Rate Rider

EDR  
Economic Development Rider

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available as a rider to customers to be served or being served under Company's Standard Rate Schedules TODS, TODP, and RTS to encourage Brownfield Development or Economic Development (as defined herein). Service under EDR is conditional on approval of a special contract for such service filed with and approved by the Public Service Commission of Kentucky.

## RATE

A customer taking service under EDR shall be served according to all of the rates, terms, and conditions of the normally applicable rate schedule subject to the following:

- a) for the twelve consecutive monthly billings of the first contract year, the Total Demand Charge shall be reduced by 50%;
- b) for the twelve consecutive monthly billings of the second contract year, the Total Demand Charge shall be reduced by 40%;
- c) for the twelve consecutive monthly billings of the third contract year, the Total Demand Charge shall be reduced by 30%;
- d) for the twelve consecutive monthly billings of the fourth contract year, the Total Demand Charge shall be reduced by 20%;
- e) for the twelve consecutive monthly billings of the fifth contract year, the Total Demand Charge shall be reduced by 10%; and
- f) all subsequent billing shall be at the full charges stated in the applicable rate schedule.

"Total Demand Charge" is the sum of all demand charges, including any credits provided under any other demand applicable rider, before the EDR discounts described above are applied.

## TERMS AND CONDITIONS

### Brownfield Development

- a) Service under EDR for Brownfield Development is available to customers locating at sites that have been submitted to, approved by, and added to the Brownfield Inventory maintained by the Kentucky Energy and Environment Cabinet (or by any successor entity created and authorized by the Commonwealth of Kentucky).
- b) EDR for Brownfield Development is available only to billing loads of 500 kVA or greater where the customer takes service from existing Company facilities.

### Economic Development

- c) Service under EDR for Economic Development is available to:
  - 1) new customers contracting for a minimum annual average of monthly billing load of 1,000 kVA; and
  - 2) existing customers contracting for a minimum annual average of monthly billing load of 1,000 kVA above their Existing Base Load, to be determined as follows:

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**Date of Issue:**

**Date Effective: August 11, 2011**

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

Standard Rate Rider

**EDR**  
**Economic Development Rider**

**TERMS AND CONDITIONS**, Economic Development c) 2) (continued)

- i. Company and the existing customer will determine Customer's Existing Base Load by averaging Customer's previous three years' monthly billing loads, subject to any mutually agreed upon adjustments thereto.
  - ii. Company and the existing customer must agree upon the Existing Base Load, which shall be an explicit term of the special contract submitted to the Commission for approval before the customer can take service under EDR. Once the Existing Base Load's value is thus established, it will not be subject to variation or eligible for service under EDR.
  - iii. This provision is not intended to reduce or diminish in any way EDR service already being provided to all or a portion of a customer's Existing Base Load. Such EDR service would continue under the terms of the contract already existing between the Company and the customer concerning the affected portion of the customer's Existing Base Load.
- d) A customer desiring service under EDR for Economic Development must submit an application for service that includes:
- 1) a description of the new load to be served;
  - 2) the number of new employees, if any, Customer anticipates employing associated with the new load;
  - 3) the capital investment Customer anticipates making associated with the EDR load;
  - 4) a certification that Customer has been qualified by the Commonwealth of Kentucky for benefits under the Kentucky Business Investment Program.
- e) Should Company determine a refundable contribution for the capital investment in Customer-specific facilities required by Company to serve the EDR load would ordinarily be required as set out under Company's Line Extension Plan, I. Special Cases, that amount shall be determined over a fifteen (15) year period and payable at the end of the fifteen (15) year period.

General

- f) Company may offer EDR to qualifying new load only when Company has generating capacity available and the new load will not accelerate Company's plans for additional generating capacity over the life of the EDR contract.
- g) Customer may request an EDR effective initial billing date that is no later than twelve (12) months after the date on which Company initiates service to Customer.
- h) Neither the demand charge reduction nor any unjustified capital investment in facilities will be borne by Company's other customers during the term of the EDR contract.
- i) Company may offer differing terms, as appropriate, under special contract to which this rider is a part depending on the circumstances associated with providing service to a particular customer and subject to approval by the Public Service Commission of Kentucky.

**TERM OF CONTRACT**

Service will be furnished under the applicable standard rate schedule and this rider, filed as a special contract with the Commission for a fixed term of not less than ten (10) years and for such time thereafter under the terms stated in the standard rate schedule. A greater term of contract or termination notice may be required because of conditions associated with a Customer's requirements for service. Service will be continued under conditions provided for under the rate schedule to which this Rider is attached after the original term of contract.

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**Date of Issue:**

**Date Effective: August 11, 2011**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 79

Standard Rate

LEV  
Low Emission Vehicle Service

## APPLICABLE

In the territory served.

## AVAILABILITY OF SERVICE

LEV shall be available as option to customers otherwise served under rate schedule RS to encourage off-peak power for low emission vehicles.

- 1) LEV is a three year pilot program that may be restricted to a maximum of one hundred (100) customers eligible for Rate RS (or GS where the GS service is used in conjunction with an RS service to provide service to a detached garage and energy usage is no more than 300 kWh per month) in any year and shall remain in effect until modified or terminated by order of the Commission. Company will accept applications on a first-come-first-served basis. T
- 2) This service is restricted to customers who demonstrate power delivered to premises is consumed, in part, for the powering of low emission vehicles licensed for operation on public streets or highways. Such vehicles include: T  
  - a) battery electric vehicles or plug-in hybrid electric vehicles recharged through a charging outlet at Customer's premises,
  - b) natural gas vehicles refueled through an electric-powered refueling appliance at Customer's premises.
- 3) A customer exiting the pilot program or disconnected for non-payment may not be allowed to return to it until the Commission has issued a decision on the pilot program report.
- 4) Company will file a report on LEV with the Commission within six months after the first three years of implementation of the pilot program. Such report will detail findings and recommendations. T

## RATE

Basic Service Charge: \$10.75 per month |

Plus an Energy Charge:

Off Peak Hours: \$0.05078 per kWh |

Intermediate Hours: \$0.07254 per kWh |

Peak Hours: \$0.13788 per kWh |

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance Program	Sheet No. 92

Date of Issue:

Date Effective: January 1, 2013

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 79.1

Standard Rate

LEV  
Low Emission Vehicle Service

## DETERMINATION OF PRICING PERIODS

Pricing periods are established in Eastern Standard Time year round by season for weekdays and weekends. The hours of the pricing periods for the price levels are as follows:

### Summer Months of May through September

	<u>Off-Peak</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	10 PM - 10 AM	10 AM - 1 PM 7 PM - 10 PM	1 PM - 7 PM
Weekends	All Hours		

### All Other Months of October continuously through April

	<u>Off Peak</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	10 PM - 6 AM	12 Noon – 10 PM	6 AM – 12 Noon
Weekends	All Hours		

## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

T/R

## TERMS OF CONTRACT

For a fixed term of not less than one (1) year and for such time thereafter until terminated by either party giving thirty (30) days written notice to the other of the desire to terminate.

## TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto. Customers served under this optional pilot program will not be eligible for Company's Budget Payment Plan. Company shall install metering equipment capable of accommodating the Time of Use rate described herein.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

**Adjustment Clause**

**FAC  
Fuel Adjustment Clause**

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

This schedule is mandatory to all electric rate schedules.

- (1) The charge per kWh delivered under the rate schedules to which this fuel clause is applicable shall be increased or decreased during each month in accordance with the following formula:

$$\text{Adjustment Factor} = \frac{F(m)}{S(m)} - \frac{F(b)}{S(b)}$$

where "F" is the expense of fossil fuel and "S" is the kWh sales in the base (b) and current (m) periods as defined in 807 KAR 5:056, all as set out below.

- (2) Fuel costs (F) shall be the most recent actual monthly cost of:
- (a) Fossil fuel consumed in the utility's own plants, plus the cost of fuel which would have been used in plants suffering forced generation or transmission outages, but less the cost of fuel related to substitute generation; plus
  - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute for the forced outages; plus
  - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases and the charges as a result of scheduled outages, all such kinds of energy being purchased by the buyer to substitute for its own higher cost energy; and less
  - (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
  - (e) All fuel costs shall be based on weighted average inventory costing.
- (3) Forced outages are all non-scheduled losses of generation or transmission which require substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of the public enemy, then the utility may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment. Until such approval is obtained, in making the calculations of fuel cost (F) in subsection (2)(a) and (b) above, the forced outage costs to be subtracted shall be no less than the fuel cost related to the lost generation.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 85.1

Adjustment Clause

FAC  
Fuel Adjustment Clause

- (4) Sales (S) shall be all kWh sold, excluding inter-system sales. Where, for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in subsection (2)(d) above, less (vi) total system losses. Utility used energy shall not be excluded in the determination of sales (S). T
- (5) The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of FERC Uniform System of Accounts for Public Utilities and Licensees.
- (6) Base (b) period shall be the twelve (12) months ending October 2010 and the base fuel factor is \$0.02668 per kWh.
- (7) Current (m) period shall be the second month preceding the month in which the Fuel Clause Adjustment Factor is billed.
- (8) Pursuant to the Public Service Commission's Order in Case No. 2010-00492 dated May 31, 2011, the Fuel Adjustment Clause will become effective with bills rendered on and after the first billing cycle for July 2011, which begins June 29, 2011.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

This schedule is mandatory to Residential Rate RS, Volunteer Fire Department Service Rate VFD, General Service Rate GS, All Electric School Rate AES, Power Service Rate PS, Time-of-Day Secondary Service Rate TODS, Time-of-Day Primary Service Rate TODP, and Low Emission Vehicle Service Rate LEV. Industrial customers who elect not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism. For purposes of rate application hereunder, non-residential customers will be considered "industrial" if they are primarily engaged in a process or processes that create or change raw or unfinished materials into another form or product, and/or in accordance with the North American Industry Classification System, Sections 21, 22, 31, 32, and 33. All other non-residential customers will be defined as "commercial."

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**RATE**

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per kilowatt hour of monthly consumption in accordance with the following formula:

$$\text{DSMRC} = \text{DCR} + \text{DRLS} + \text{DSMI} + \text{DBA} + \text{DCCR}$$

Where:

**DCR = DSM COST RECOVERY**

The DCR shall include all expected costs that have been approved by the Commission for each twelve-month period for demand-side management programs that have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees, and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program. The cost of approved programs shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DCR for each such rate class.

**DRLS = DSM REVENUE FROM LOST SALES**

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff will be recovered as follows:

- 1) For each upcoming twelve-month period, the estimated reduction in customer usage (in kWh) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per kWh for purposes of determining the lost revenue to be recovered hereunder from each customer class. The non-variable revenue requirement for the Residential, Volunteer Fire Department, General Service, All Electric School, and Low Emission Vehicle customer classes is defined as the weighted average price per kWh of expected billings under the energy charges contained in the

**Date of Issue:**

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



**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**RATE** (continued)

RS, VFD, GS, AES, and LEV rate schedules in the upcoming twelve-month period after deducting the variable costs included in such energy charges. The non-variable revenue requirement for each of the customer classes that are billed under demand and energy rates (rate schedules PS, TODS, and TODP) is defined as the weighted average price per kWh represented by the composite of the expected billings under the respective demand and energy charges in the upcoming twelve-month period, after deducting the variable costs included in the energy charges.

- 2) The lost revenues for each customer class shall then be divided by the estimated class sales (in kWh) for the upcoming twelve-month period to determine the applicable DRLS surcharge. Recovery of revenue from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case, whichever comes first. Revenues from lost sales will be assigned for recovery purposes to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation, and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

**DSMI = DSM INCENTIVE**

For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs that are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of Company's avoided costs over the expected life of the program, and will include both capacity and energy savings. For the Energy Education Program, the DSM incentive amount shall be computed by multiplying the annual cost of the approved program times five (5) percent.

The DSM incentive amount related to programs for Residential Rate RS, Volunteer Fire Department Rate VFD, General Service Rate GS, All Electric School Rate AES, Power Rate PS, Time-of-day Secondary Service Rate TODS, Time-of-Day Primary Rate TODP, and Low Emission Vehicle Service Rate LEV shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DSMI for such rate class. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**DBA = DSM BALANCE ADJUSTMENT**

The DBA shall be calculated on a calendar-year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI, DCCR, and previous application of the DBA and the revenues that should have been billed, as follows:

- 1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- 2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- 3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- 4) For the DBA, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DBA and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest applied to the monthly amounts, such interest to be calculated at a rate equal to the average of the "Three-Month Commercial Paper Rate" for the immediately preceding twelve-month period. The total of the balance adjustment amounts shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DBA for such rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes for which over- or under-recoveries of DSM amounts were realized.

**DCCR = DSM CAPITAL COST RECOVERY**

The DCCR component is the means by which the Company recovers its capital investments made for DSM programs, as well as an approved rate of return on such capital investments. The Company calculates the DCCR component as follows:

$$DCCR = [(RB) (ROR + (ROR - DR) (TR / (1 - TR)))] + OE$$

- a) RB is the total rate base for DCCR projects.
- b) ROR is the overall rate of return on DSM Rate Base (RB).
- c) DR is the composite debt rate (i.e., the cost of short- and long-term debt) embedded in ROR.
- d) TR is the composite federal and state income tax rate that applies to the equity return component of ROR.
- e) OE is the sum of the capital-related operating expenses (i.e., depreciation and amortization expense, property taxes, and insurance expense) of the DSM projects to which DCCR applies.

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**Date of Issue:**

**Date Effective: December 30, 2011**

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

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**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

The Company then allocates the DCCR component to the rate class(es) benefitting from the Company's various DSM-related capital investment(s).

**CHANGES TO DSMRC**

Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- 1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies that have been performed, as available.
- 2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA, DCCR, and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

**PROGRAMMATIC CUSTOMER CHARGES**

**Residential Customer Program Participation Incentives:**

The following Demand Side Management programs are available to residential customers receiving service from the Company on the RS, VFD and LEV Standard Electric Rate Schedules.

**Residential Load Management / Demand Conservation**

The Residential Load Management / Demand Conservation Program employ switches in homes to help reduce the demand for electricity during peak times. The program communicates with the switches to cycle central air conditioning units, heat pumps, electric water heaters, and pool pumps off and on through a predetermined sequence. This program has an approved flexible incentive structure. The current program offering is defined on Sheet No 86.8.

**Residential Conservation / Home Energy Performance Program**

The on-site audit offers a comprehensive audit from a certified auditor and incentives for residential customers to support the implementation of energy saving measures for a fee of \$25. Customers are eligible for incentives of \$500 or \$1,000 based on customer purchased and installed energy efficiency measures and validated through a follow-up test.

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**Date of Issue:**

**Date Effective: May 31, 2012**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Residential Low Income Weatherization Program (WeCare)**

The Residential Low Income Weatherization Program (WeCare) is an education and weatherization program designed to reduce energy consumption of LG&E's low-income customers. The program provides energy audits, energy education, blower door tests, and installs weatherization and energy conservation measures. Qualified customers could receive energy conservation measures ranging from \$0 to \$2,100 based upon the customer's most recent twelve month energy usage and results of an energy audit.

**Smart Energy Profile**

The Smart Energy Profile Program provides a portion of KU's highest consuming residential customers with a customized report of tips, tools and energy efficiency programming recommendations based on individual household energy consumption. These reports are benchmarked against similar properties in locality. The report will help the customer understand and make better informed choices as it relates to energy usage and the associated costs. Information presented in the report will include a comparison of the customer's energy usage to that of similar houses (collectively) and a comparison to the customer's own energy usage in the prior year.

**Residential Incentives Program**

The Residential Incentives Program encourages customers to purchase and install various ENERGY STAR® appliances, HVAC equipment, or window films that meet certain requirements, qualifying them for an incentive as noted in the table below.

Category	Item	Incentive
<b>Appliances</b>	Heat Pump Water Heaters (HPWH)	\$300 per qualifying item purchased
	Washing Machine	\$75 per qualifying item purchased
	Refrigerator	\$100 per qualifying item purchased
	Freezer	\$50 per qualifying item purchased
	Dishwasher	\$50 per qualifying item purchased
<b>Window Film</b>	Window Film	Up to 50% of materials cost only; max of \$200 per customer account; product must meet applicable criteria.
<b>HVAC</b>	Central Air Conditioner	\$100 per Energy Star item purchased plus an additional \$100 per SEER improvement above minimum
	Electric Air-Source Heat Pump	\$100 per Energy Star item purchased plus additional \$100 per SEER improvement above minimum

**Date of Issue:**

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**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Residential Refrigerator Removal Program**

The Residential Refrigerator Removal Program is designed to provide removal and recycling of working, inefficient secondary refrigerators and freezers from KU customer households. Customers participating in this program will be provided a one-time incentive. This program has an approved flexible incentive structure. The current program offering is defined on Sheet No 86.8.

**Residential High Efficiency Lighting Program**

The Residential High Efficiency Lighting program promotes an increased use of ENERGY STAR® rated CFLs within the residential sector. The Residential High Efficiency Lighting Program distributes compact fluorescent bulbs through direct-mail.

**Residential New Construction Program**

The Residential New Construction program is designed to reduce residential energy usage and facilitate market transformation by creating a shift in builders' new home construction to include energy-efficient construction practices. Builders who are part of the program can take advantage of technical training classes, gain additional exposure to potential customers and receive incentives to help offset costs when including more energy-efficient features during home construction. KU will reimburse the cost of plan reviews and inspection costs related to an Energy Star or HERS home certification.

**Residential HVAC Diagnostics and Tune Up Program**

The Residential HVAC Diagnostic and Tune-up program targets customers with HVAC system performance issues. There are no incentives paid directly to customers. Customers are charged a discounted, fixed-fee for the diagnosis and if needed, a similar fee for implementation of corrective actions. Thus, the program pays the portion of diagnostic and tune-up cost in excess of the customer charge below. The customer cost is as follows:

- Customer cost is \$35 per unit for diagnostics test
- Customer cost is \$50 per unit for tune-up

**Customer Education and Public Information**

These programs help customers make sound energy-use decisions, increase control over energy bills and empower them to actively manage their energy usage. Customer Education and Public Information is accomplished through two processes: a mass-media campaign and an elementary- and middle-school program. The mass media campaign includes public-service advertisements that encourage customers to implement steps to reduce their energy usage. The elementary and middle school program provides professional development and innovative materials to K-8 schools to teach concepts such as basic energy and energy efficiency concepts.

**Dealer Referral Network**

The Dealer Referral Network assists customers in identifying qualified service providers to install energy efficiency improvements recommended and/ or subsidized by the various energy efficiency programs.

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**Date of Issue:**

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

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**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Commercial Customer Program Participation Incentives:**

The following Demand Side Management programs are available to commercial customers receiving service from the Company on the GS, AES, PS, TODS, and TODP Standard Electric Rate Schedules.

**Commercial Load Management / Demand Conservation**

The Commercial Load Management / Demand Conservation Program employ switches or interfaces to customer equipment, in small and large commercial businesses to help reduce the demand for electricity during peak times. The Program communicates with the switches or interface to cycle equipment. This program has an approved flexible incentive structure. The current program offering is defined on Sheet No 86.8.

**Commercial Conservation (Energy Audits) / Commercial Incentives**

The Commercial Conservation / Commercial Incentive Program is designed to provide energy efficiency opportunities for the Companies' commercial class customers through energy audits and to increase the implementation of energy efficiency measures by providing financial incentives to assist with the replacement of aging and less efficient equipment. Incentives available to all commercial customers are based upon a \$100 per kW removed for calculated efficiency improvements. A prescriptive list provides customers with incentive values for various efficiency improvements projects. Additionally, a custom rebate is available based upon company engineering validation of sustainable KW removed.

- Maximum annual incentive per facility is \$50,000
- Customers can receive multi-year incentives in a single year where such multi-year incentives do not exceed the aggregate of \$100,000 per facility and no incentive was provided in the immediately preceding year
- Applicable for combined Prescriptive and Custom Rebates

**Commercial HVAC Diagnostics and Tune Up Program**

The Commercial HVAC Diagnostic and Tune-up program targets customers with HVAC system performance issues. There are no incentives paid directly to customers. Customers are charged a discounted, fixed-fee for the diagnosis and if needed, a similar fee for implementation of corrective actions. Thus, the program pays the portion of diagnostic and tune-up cost in excess of the customer charge below. The customer cost is as follows:

- Customer cost is \$50 per unit for diagnostics test
- Customer cost is \$100 per unit for tune-up

**Customer Education and Public Information**

These programs help customers make sound energy-use decisions, increase control over energy bills and empower them to actively manage their energy usage. Customer Education and Public Information is accomplished through two processes: a mass-media campaign and an elementary- and middle-school program. The mass media campaign includes public-service advertisements that encourage customers to implement steps to reduce their energy usage. The elementary and middle school program provides professional development and

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**Date of Issue:**

**Date Effective: May 31, 2012**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

innovative materials to K-8 schools to teach concepts such as basic energy and energy efficiency concepts.

**Dealer Referral Network**

The Dealer Referral Network assists customers in identifying qualified service providers to install energy efficiency improvements recommended and/ or subsidized by the various energy efficiency programs.

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**Date of Issue:**

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**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Current Program Incentive Structures**

**Residential Load Management / Demand Conservation**

**Switch Option:**

- \$5/month bill credit for June, July, August, & September per air conditioning unit or heat pump on single family home.
- \$2/month bill credit for June, July, August, & September per electric water heater or swimming pool pump on single family home.
- If new customer registers by May 31, 2012, then a \$10 gift card per air-conditioning unit, heat pump, water-heater and/or swimming pool pump switch installed.
  - Customers in a tenant landlord relationship will receive the entire \$10 new customer incentive.

**Multi-family Option:**

- \$2/month bill credit per customer for June, July, August, & September.
- \$2/month incentive per air conditioning or heat pump switch to the premise owner for June, July, August, & September.
- If new customer registers by May 31, 2012, then a \$10 gift card per air-conditioning unit or heat pump installed.
  - Customers in a tenant landlord relationship where the entire complex participates will split the new customer incentive with the property owner.
  - Customers in a tenant landlord relationship where only a portion of the complex participates, the tenant will receive a \$5 new customer incentive.

**Residential Refrigerator Removal Program**

The program provides \$30 per working refrigerator or freezer.

**Commercial Load Management / Demand Conservation**

**Switch Option**

- \$5 per month bill credit for June, July, August, & September for air conditioning units up to 5 tons. An additional \$1 per month bill credit for each additional ton of air conditioning above 5 tons based upon unit rated capacity.

**Customer Equipment Interface Option**

The Company will offer a Load Management / Demand Response program tailored to a commercial customer's ability to reduce load. Program participants must commit to a minimum of 50KW demand reduction per control event. The Company will continue to enroll program participants until 10MW curtailable load is achieved.

- \$25 per KW for verified load reduction during June, July, August, & September.
- The customer will have access to at least hourly load data for every month of the year which they remain enrolled in the program.

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**Date Effective: May 31, 2012**

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# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 86.9

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Adjustment Clause

DSM

Demand-Side Management Cost Recovery Mechanism

- Additional customer charges may be incurred for metering equipment necessary for this program at costs under other tariffs.

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Date Effective: May 31, 2012

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 86.10

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**Adjustment Clause** **DSM**  
**Demand-Side Management Cost Recovery Mechanism**

**Monthly Adjustment Factors**

<u>Residential Service Rate RS, Volunteer Fire Department Service Rate VFD, and Low Emission Vehicle Service Rate LEV</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR)	\$ 0.00133 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00075 per kWh
DSM Incentive (DSMI)	\$ 0.00006 per kWh
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00049 per kWh
DSM Balance Adjustment (DBA)	\$(0.00040) per kWh
Total DSMRC for Rates RS, VFD and LEV	\$ 0.00223 per kWh

<u>General Service Rate GS</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR)	\$ 0.00065 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00085 per kWh
DSM Incentive (DSMI)	\$ 0.00003 per kWh
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00007 per kWh
DSM Balance Adjustment (DBA)	\$(0.00006) per kWh
Total DSMRC for Rates GS	\$ 0.00154 per kWh

<u>All Electric School Rate AES</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR)	\$ 0.00018 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00019 per kWh
DSM Incentive (DSMI)	\$ 0.00001 per kWh
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per kWh
DSM Balance Adjustment (DBA)	\$(0.00008) per kWh
Total DSMRC for Rate AES	\$ 0.00030 per kWh

<u>Commercial Customers Served Under Power Service Rate PS, Time of Day Secondary Service Rate TODS, and Time-of-Day Primary Service Rate TODP</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR)	\$ 0.00020 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00026 per kWh
DSM Incentive (DSMI)	\$ 0.00001 per kWh
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per kWh
DSM Balance Adjustment (DBA)	\$ 0.00001 per kWh
Total DSMRC for Rates PS, TODS, and TODP	\$ 0.00048 per kWh

<u>Industrial Customers Served Under Power Service Rate PS, Time-of-Day Secondary Service Rate TODS, Time-of-Day Primary Service Rate TODP, and Retail Transmission Rate RTS</u>	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR)	\$ 0.00000 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00000 per kWh
DSM Incentive (DSMI)	\$ 0.00000 per kWh
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per kWh
DSM Balance Adjustment (DBA)	\$ 0.00000 per kWh
Total DSMRC for Rates PS, TODS, TODP, and RTS	\$ 0.00000 per kWh

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**Date of Issue:**

**Date Effective: April 1, 2012**

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

# Kentucky Utilities Company

**Adjustment Clause**

**ECR  
Environmental Cost Recovery Surcharge**

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

This schedule is mandatory to all Standard Electric Rate Schedules listed in Section 1 of the General Index except CTAC and Special Charges, all Pilot Programs listed in Section 3 of the General Index, and the FAC and DSM Adjustment Clauses. Standard Electric Rate Schedules subject to this schedule are divided into Group 1 or Group 2 as follows:

- Group 1: Rate Schedules RS; VFD; AES; LS; RLS; LE; TE; and Pilot Program LEV.
- Group 2: Rate Schedules GS; PS; TODS; TODP; RTS; and FLS.

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**RATE**

The monthly billing amount under each of the schedules to which this mechanism is applicable, shall be increased or decreased by a percentage factor calculated in accordance with the following formula.

$$\text{Group Environmental Surcharge Billing Factor} = \text{Group E(m)} / \text{Group R(m)}$$

As set forth below, Group E(m) is the sum of Jurisdictional E(m) of each approved environmental compliance plan revenue requirement of environmental compliance costs for the current expense month allocated to each of Group 1 and Group 2. Group R(m) for Group 1 is the 12-month average revenue for the current expense month and for Group 2 it is the 12-month average non-fuel revenue for the current expense month.

**DEFINITIONS**

- 1) For all Plans,  $E(m) = [(RB/12) (ROR + (ROR - DR) (TR / (1 - TR)))] + OE - EAS + BR$ 
  - a) RB is the Total Environmental Compliance Rate Base.
  - b) ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the overall rate of return [cost of short-term debt, long-term debt, preferred stock, and common equity].
  - c) DR is the Debt Rate [cost of short-term debt, and long-term debt].
  - d) TR is the Composite Federal and State Income Tax Rate.
  - e) OE is the Operating Expenses. OE includes operation and maintenance expense recovery authorized by the K.P.S.C. in all approved ECR Plan proceedings.
  - f) EAS is the total proceeds from emission allowance sales applicable to the pre-2011 Plans only.
  - g) BR is the operation and maintenance expenses, and/or revenues if applicable, associated with Beneficial Reuse applicable to the pre-2011 Plans only.
  - h) Plans are the environmental surcharge compliance plans submitted to and approved by the Kentucky Public Service Commission pursuant to KRS 278.183.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

**Adjustment Clause**

**ECR**

**Environmental Cost Recovery Surcharge**

- 2) Total E(m) (sum of each approved environmental compliance plan revenue requirement) is multiplied by the Jurisdictional Allocation Factor. Jurisdictional E(m) is adjusted for any (Over)/Under collection or prior period adjustment and by the subtraction of the Revenue Collected through Base Rates for the Current Expense month to arrive at Adjusted Net Jurisdictional E(m). Adjusted Net Jurisdictional E(m) is allocated to Group 1 and Group 2 on the basis of Revenue as a Percentage of Total Revenue for the 12 months ending with the Current Month to arrive at Group 1 E(m) and Group 2 E(m).
- 3) The Group 1 R(m) is the average of total Group 1 monthly base revenue for the 12 months ending with the current expense month. Base revenue includes the customer, energy, and lighting charges for each rate schedule included in Group 1 to which this mechanism is applicable and automatic adjustment clause revenues for the Fuel Adjustment Clause and the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 1.
- 4) The Group 2 R(m) is the average of total Group 2 monthly base non-fuel revenue for the 12 months ending with the current expense month. Base non-fuel revenue includes the customer, non-fuel energy, and demand charges for each rate schedule included in Group 2 to which this mechanism is applicable and automatic adjustment clause revenues for the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 2. Non-fuel energy is equal to the tariff energy rate for each rate schedule included in Group 2 less the base fuel factor as defined on Sheet No. 85.1, Paragraph 6.
- 5) Current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

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**Date of Issue:**

**Date Effective: February 29, 2012**

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

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**Adjustment Clause**

**FF  
Franchise Fee Rider**

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

Available as an option for collection of revenues within governmental jurisdictions which impose on Company franchise fees, permitting fees, local taxes or other charges by ordinance, franchise, or other governmental directive and not otherwise collected in the charges of Company's base rate schedules.

**DEFINITIONS**

Base Year - the twelve month period ending November 30.

Collection Year - the full calendar year following the Base Year.

Base Year Amount -

- 1) a percentage of revenues, as determined in the franchise agreement, for the Base Year; and
- 2) license fees, permit fees, or other costs specifically borne by Company for the purpose of maintaining the franchise as incurred in the Base Year and applicable specifically to Company by ordinance or franchise for operation and maintenance of its facilities in the franchise area, including but not limited to costs incurred by Company as a result of governmental regulation or directives requiring construction or installation of facilities beyond that normally provided by Company in accordance with applicable Rules and Regulations approved by and under the direction of the Kentucky Public Service Commission; and
- 3) any adjustment for over or under collection of revenues associated with the amounts in 1) or 2).

**RATE**

The franchise percentage will be calculated by dividing the Base Year amount by the total revenues in the Base Year for the franchise area. The franchise percentage will be monitored during the Collection Year and adjusted to recover the Base Year Amount in the Collection Year as closely as possible.

**BILLING**

- 1) The franchise charge will be applied exclusively to the base rate and all riders of bills of customers receiving service within the franchising governmental jurisdiction, before taxes.
- 2) The franchise charge will appear as a separate line item on the Customer's bill and show the unit of government requiring the franchise.
- 3) Payment of the collected franchise charges will be made to the governmental franchising body as agreed to in the franchise agreement.

**TERM OF CONTRACT**

As agreed to in the franchise agreement. In the event such franchise agreement should lapse but payment of franchise fees, other local taxes, or permitting fees paid by Company by ordinance, franchise, or other governmental directive should continue, collection shall continue under this tariff.

**TERMS AND CONDITIONS**

Service will be furnished in accordance with the provisions of the franchise agreement in so far as those provisions do not conflict with the Terms and Conditions applicable to Company approved by and under the direction of the Kentucky Public Service Commission.

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**Date of Issue:**

**Date Effective: October 16, 2003**

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

# Kentucky Utilities Company

P.S.C. No. 16, Original Sheet No. 91

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Adjustment Clause

ST  
School Tax

**APPLICABLE**

In all territory served.

**AVAILABILITY OF SERVICE**

This schedule is applied as a rate increase to all other schedules pursuant to KRS 160.617 for the recovery by the utility of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

**RATE**

The utility gross receipts license tax authorized under state law.

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**Date of Issue:**

**Date Effective:** August 1, 2010

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

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**Adjustment Clause**

**HEA  
Home Energy Assistance Program**

**APPLICABLE**

In all territory served.

**AVAILABILITY**

To all residential customers.

**RATE**

\$0.25 per meter per month.

**BILLING**

The HEA charge shall be shown as a separate item on customer bills.

**SERVICE PERIOD**

The Home Energy Assistance charge will be applied to all residential electric bills rendered during the billing cycles commencing January 1, 2013 until the effective date of new base rates, or as otherwise directed by the Public Service Commission. The HEA program is approved through September 30, 2015. Proceeds from this charge will be used to fund residential low-income demand-side management Home Energy Assistance programs which have been designed through a collaborative advisory process and then filed with, and approved by, the Commission.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Customer Bill of Rights

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service, if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days, provided you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March.
- If you have been disconnected due to non-payment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
  - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
  - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
  - 3) Accept referral to the Human Resources' Weatherization Program, and
  - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.
- You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (call Toll Free 1-800-772-4636).

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**Date of Issue:**

**Date Effective: August 1, 2010**

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



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## TERMS AND CONDITIONS

### General

#### **COMMISSION RULES AND REGULATIONS**

All electric service supplied by Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

#### **COMPANY TERMS AND CONDITIONS**

In addition to the rules and regulations of the Commission, all electric service supplied by Company shall be in accordance with these Terms and Conditions, which shall constitute a part of all applications and contracts for service.

#### **RATES, TERMS AND CONDITIONS ON FILE**

A copy of the rate schedules, terms, and conditions under which electric service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, terms and conditions, together with the law, rules, and regulations of the Commission, is available for public inspection in each office of Company where bills may be paid.

#### **ASSIGNMENT**

No order for service, agreement or contract for service may be assigned or transferred without the written consent of Company.

#### **RENEWAL OF CONTRACT**

If, upon the expiration of any service contract for a specified term, the customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one (1) year each, subject to termination at the end of any year upon thirty (30) days prior written notice by either party.

#### **AGENTS CANNOT MODIFY AGREEMENT WITHOUT CONSENT OF P.S.C. OF KY.**

No agent has power to amend, modify, alter, or waive any of these Terms and Conditions, or to bind Company by making any promises or representations not contained herein.

#### **SUPERSEDE PREVIOUS TERMS AND CONDITIONS**

These Terms and Conditions supersede all terms and conditions under which Company has previously supplied electric service.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

## TERMS AND CONDITIONS

### Customer Responsibilities

#### APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before Company is obligated to render electric service. Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using electric service is clearly outside the scope of Company's standard rate schedules, Company may establish special contracts giving effect to such unusual circumstances. Customer accepts that non-standard service may result in the delay of required maintenance or, in the case of outages, restoration of service.

#### TRANSFER OF APPLICATION

Applications for electric service are not transferable and new occupants of premises will be required to make application for service before commencing the use of electricity. Customers who have been receiving electric service shall notify Company when discontinuance of service is desired, and shall pay for all electric service furnished until such notice has been given and final meter readings made by Company.

#### CONTRACTED DEMANDS

For rate applications where billing demand minimums are determined by the Contract Demand customer shall execute written Contract prior to rendering of service. At Company's sole discretion, in lieu of a written contract, a completed load data sheet or other written load specification, as provided by Customer, can be used to determine the maximum load on Company's system for determining Contract Demand minimum.

#### OPTIONAL RATES

If two or more rate schedules are available for the same class of service, it is Customer's responsibility to determine the options available and to designate the schedule under which customer desires to receive service.

Company will, at any time, upon request, advise any customer as to the most advantageous rate for existing or anticipated service requirements as defined by the customer, but Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

In those cases in which the most favorable rate is difficult to predetermine, Customer will be given the opportunity to change to another schedule, unless otherwise prevented by the rate schedule under which Customer is currently served, after trial of the schedule originally designated; however, after the first such change, Company shall not be required to make a change in schedule more often than once in twelve (12) months.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

## TERMS AND CONDITIONS

### Customer Responsibilities

From time to time, Customer should investigate Customer's operating conditions to determine a desirable change from one available rate to another. Company, lacking knowledge of changes that may occur at any time in Customer's operating conditions, does not assume responsibility that Customer will at all times be served under the most beneficial rate.

In no event will Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.

### CUSTOMER'S EQUIPMENT AND INSTALLATION

Customer shall furnish, install, and maintain at Customer's expense all electrical apparatus and wiring to connect with Company's service drop or service line. All such apparatus and wiring shall be installed and maintained in conformity with applicable statutes, laws or ordinances and with the rules and regulations of the constituted authorities having jurisdiction. Customer shall not install wiring or connect and use any motor or other electricity-using device which in the opinion of Company is detrimental to its electric system or to the service of other customers of Company. Company assumes no responsibility whatsoever for the condition of Customer's electrical wiring, apparatus, or appliances, nor for the maintenance or removal of any portion thereof.

In the event Customer builds or extends its own transmission or distribution system over property Customer owns, controls, or has rights to, and said system extends or may extend into the service territory of another utility company, Customer will notify Company of their intention in advance of the commencement of construction.

### OWNER'S CONSENT TO OCCUPY

Customer shall grant easements and rights-of-way on and across Customer's property at no cost to Company.

### ACCESS TO PREMISES AND EQUIPMENT

Company shall have the right of access to Customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of electric service or for the purpose of turning on and shutting off the supply of electricity when necessary and for all other proper purposes. Customer shall not construct or permit the construction of any structure or device which will restrict the access of Company to its equipment for any of the above purposes.

### PROTECTION OF COMPANY'S PROPERTY

Customers will be held responsible for tampering, interfering with, breaking of seals of meters, or other equipment of Company installed on Customer's premises, and will be held liable for same according to law. Customer hereby agrees that no one except the employees of Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of Company.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

## TERMS AND CONDITIONS

### Customer Responsibilities

#### POWER FACTOR

Company installs facilities to supply power to Customer at or near unity power factor.

Company expects any customer to use apparatus which shall result in a power factor near unity. However, Company will permit the use of apparatus which shall result, during normal operation, in a power factor not lower than 90 percent either lagging or leading.

Where Customer's power factor is less than 90 percent, Company reserves the right to require Customer to furnish, at Customer's own expense, suitable corrective equipment to maintain a power factor of 90 percent or higher.

#### EXCLUSIVE SERVICE ON INSTALLATION CONNECTED

Except in cases where Customer has a contract with Company for reserve or auxiliary service, no other electric light or power service will be used by Customer on the same installation in conjunction with Company's service, either by means of a throw-over switch or any other connection.

#### LIABILITY

Customer assumes all responsibility for the electric service upon Customer's premises at and from the point of delivery of electricity and for the wires and equipment used in connection therewith, and will protect and save Company harmless from all claims for injury or damage to persons or property occurring on Customer's premises or at and from the point of delivery of electricity, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of Company.

#### NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service connections, transformers, meters, and appurtenances supplied by Company for the rendition of electric service to its customers have a definite capacity which may not be exceeded without damage. In the event that Customer contemplates any material increase in Customer's connected load, whether in a single increment or over an extended period, Customer shall immediately give Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice Customer may be held liable for any damage done to meters, transformers, or other equipment of Company caused by such material increase in Customer's connected load. Should Customer make a permanent change in the operation of electrical equipment that materially reduces the maximum load required by Customer, Company may reduce Customer's contract capacity.

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

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## TERMS AND CONDITIONS

### Customer Responsibilities

#### PERMITS

Customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give Company or its agents access to Customer's premises and equipment and to enable its service to be connected therewith. In case Customer is not the owner of the premises or of intervening property between the premises and Company's distribution lines the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and in or about such intervening property of all such wiring or other customer-owned electrical equipment as may be necessary or convenient for the supply of electric service to customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, Company shall obtain the aforementioned consent.

The construction of electric facilities to provide service to a number of customers in a manner consistent with good engineering practice and the least public inconvenience sometimes requires that certain wires, guys, poles, or other appurtenances on a customer's premises be used to supply service to neighboring customers. Accordingly, each customer taking Company's electric service shall grant to Company such rights on or across his or her premises as may be necessary to furnish service to neighboring premises, such rights to be exercised by Company in a reasonable manner and with due regard for the convenience of Customer.

Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under Customer's application until a reasonable time after such permits are granted.



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**Date of Issue:**

**Date Effective: January 1, 2013**

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

## TERMS AND CONDITIONS

### Company Responsibilities

#### METERING

The electricity used will be measured by a meter or meters to be furnished and installed by Company at its expense and all bills will be calculated upon the registration of said meters. When service is supplied by Company at more than one delivery point on the same premises, each delivery point will be metered and billed separately on the rate applicable. Meters include all measuring instruments. Meters will be located outside whenever possible. Otherwise, meters will be located as near as possible to the service entrance and on the ground floor of the building, in a clean, dry, safe and easily accessible place, free from vibration, agreed to by Company.

#### POINT OF DELIVERY OF ELECTRICITY

The point of delivery of electrical energy supplied by Company shall be at the point, as designated by Company, where Company's facilities are connected with the facilities of Customer, irrespective of the location of the meter.

#### EXTENSION OF SERVICE

The main transmission lines of Company, or branches thereof, will be extended to such points as provide sufficient load to justify such extensions or in lieu of sufficient load, Company may require such definite and written guarantees from a customer, or group of customers, in addition to any minimum payments required by the Tariff as may be necessary. This requirement may also be made covering the repayment, within a reasonable time, of the cost of tapping such existing lines for light or power service or both.

#### COMPANY'S EQUIPMENT AND INSTALLATION

Company will furnish, install, and maintain at its expense the necessary overhead service drop or service line required to deliver electricity at the voltage contracted for, to Customer's electric facilities.

Company will furnish, install, and maintain at its expense the necessary meter or meters. (The term meter as used here and elsewhere in these rules and regulations shall be considered to include all associated instruments and devices, such as current and potential transformers installed for the purpose of measuring deliveries of electricity to the customer.) Suitable provision for Company's meter, including an adequate protective enclosure for the same if required, shall be made by Customer. Title to the meter shall remain in Company, with the right to install, operate, maintain, and remove same. Customer shall protect such property of Company from loss or damage, and no one who is not an agent of Company shall be permitted to remove, damage, or tamper with the same. Customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to Customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish Company with realistic estimates of prospective electricity requirements.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

## TERMS AND CONDITIONS

### Company Responsibilities

#### COMPANY NOT LIABLE FOR INTERRUPTIONS

Company will exercise reasonable care and diligence in an endeavor to supply service continuously and without interruption but does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of electric service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of Company.

#### COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

Company is merely a supplier of electricity delivered to the point of connection of Company's and Customer's facilities, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of Customer or of third persons resulting from the presence, use or abuse of electricity on Customer's premises or resulting from defects in or accidents to any of Customer's wiring, equipment, apparatus, or appliances, or resulting from any cause whatsoever other than the negligence of Company

#### LIABILITY

In no event shall Company have any liability to Customer or any other party affected by the electrical service to Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to Customer or any other party. In the event that the customer's use of Company's service causes damage to Company's property or injuries to persons, Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold Company harmless from any and all suits, claims, losses, and expenses associated therewith.

#### FIRM SERVICE

Where a customer-generator supplies all or part of the customer-generator's own load and desires Company to provide supplemental or standby service for that load, the customer-generator must contract for such service under Company's Supplemental or Standby Service Rider, otherwise Company has no obligation to supply the non-firm service. This requirement does not apply to Net Metering Service (Rider NMS).

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Character of Service

Electric service, under the rate schedules herein, will be 60 cycle, alternating current delivered from Company's various load centers and distribution lines at typical nominal voltages and phases, as available in a given location, as follows:

#### SECONDARY VOLTAGES

Residential Service -

Single phase 120/240 volts three-wire service or 120/208Y volts three-wire service where network system is available.

Non-Residential Service -

1) Single phase 120/240 volts three-wire service, or 120/208Y volts three-wire service where network system is available.

2) Three phase 240 volts three-wire service, 120/240 volts four-wire service, 480 volts three-wire service, 120-208Y volts four-wire service, or 277/480Y four-wire service.

#### PRIMARY VOLTAGES

According to location, 2,400/4160Y volts, 7,200/12,470Y volts, or 34,500 volts

#### TRANSMISSION VOLTAGES

According to location, 69,000 volts, 138,000 volts, or 345,000 volts.

The voltage available to any individual customer shall depend upon the voltage of Company's lines serving the area in which Customer's electric load is located.

#### RESTRICTIONS

1. Except for minor loads, with approval of company, two-wire service is restricted to those customers on service July 1, 2004.
2. To be eligible for the rate applicable to any delivery voltage other than secondary voltage, Customer must furnish and maintain complete substation structure, transformers, and other equipment necessary to take service at the primary or transmission voltage available at point of connection.
  - a) In the event Company is required to provide transformation to reduce an available voltage to a lower voltage for delivery to a customer, Customer shall be served at the rate applicable to the lower voltage; provided, however, that if the same rate is applicable to both the available voltage and the delivery voltage, Customer may be required to make a non-refundable payment to reflect the additional investment required to provide service.
  - b) The available voltage shall be the voltage on that distribution or transmission line which Company designates as being suitable from the standpoint of capacity and other operating characteristics for supplying the requirements of Customer.

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**Date of Issue:**

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



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## TERMS AND CONDITIONS

### Residential Rate Specific Terms and Conditions

Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances, and other domestic purposes.

1. Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, Company will require, as a condition precedent to the application of the residential rate, that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to Customer, Company will allow service to two or more families to be taken through one meter, but in this event the minimum bills of the applicable residential rate shall be multiplied by the number of families thus served, such number of families to be determined on the basis of the number of kitchens in the building. At Customer's option, in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to one customer at an appropriate non-residential rate.
2. Single family unit service shall include usage of electric energy customarily incidental to home occupations, such as the office of a physician, surgeon, dentist, musician or artist when such occupation is carried on by Customer in his residence.
3. A residential building used by a single family as a home, which is also used to accommodate roomers or boarders for compensation, will be billed at the residential rate provided it does not exceed twelve (12) rooms in size. Such a residential building of more than twelve (12) rooms used to accommodate roomers or borders for compensation will be classified as commercial and billed on the appropriate rate. In determining the room rating of rooming and boarding houses, all wired rooms shall be counted except hallways, vestibules, alcoves, closets, bathrooms, lavatories, garrets, attics, storage rooms, trunk rooms, basements, cellars, porches and private garages.
4. Service used in residential buildings occupied by fraternity or sorority organizations associated with educational institutions will be classified as residential and billed at the residential rate.
5. Where both residential and general or commercial classes of service are supplied through a single meter, such combined service shall be billed at the appropriate non-residential rate. Customer may arrange his wiring so as to separate the general service from the residential service, in which event two meters will be installed by Company and separate residential and general service rates applied to the respective classes of service.
6. If Customer's barns, pump house or other outbuildings are located at such distance from his residence as to make it impracticable to supply service thereto through his residential meter, the separate meter required to measure service to such remotely located buildings will be considered a separate service contract and billed as a separate customer on the applicable non-residential rate.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

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## TERMS AND CONDITIONS

### Residential Rate Specific Terms and Conditions

7. Single-phase power service used for domestic purposes will be permitted under Residential Rate RS when measured through the residential meter subject to the conditions set forth below:
  - (a) Single-phase motors may be served at 120 volts if the locked-rotor current at rated voltage does not exceed 50 amperes. Motors with locked-rotor current ratings in excess of 50 amperes must be served at 240 volts.
  - (b) Single-phase motors of new central residential cooling installations with total locked-rotor ratings of not to exceed 125 amperes (inclusive of any auxiliary motors arranged for simultaneous starting with the compressor) may be connected for across-the-line starting provided the available capacity of Company's electric distribution facilities at desired point of supply is such that, in Company's judgment, the starting of such motors will not result in excessive voltage dips and undue disturbance of lighting service and television reception of nearby electric customers. However, except with Company's express written consent, no new single-phase central residential cooling unit having a total lock-rotor rating in excess of 125 amperes inclusive of auxiliary motors arranged for simultaneous starting with the compressor) shall hereafter be connected to Company's lines, or be eligible for electric service therefrom, unless it is equipped with an approved type of current-limiting device for starting which will reduce the initial and incremental starting current inrush to a maximum of 100 amperes per step. Company shall be furnished with reasonable advance notice of any proposed central residential cooling installation.
  - (c) In the case of multi-motored devices arranged for sequential starting of the motors, the above rules are considered to apply to the locked-rotor currents of the individual motors; if arranged for simultaneous starting of the motors, the rules apply to the sum of the locked-rotor currents of all motors so started.
  - (d) Any motor or motors served through a separate meter will be billed as a separate customer.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

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## TERMS AND CONDITIONS

### BILLING

#### METER READINGS AND BILLS

Each bill for utility service shall be issued in compliance with 807 KAR 5:006, Section 6.

All bills will be based upon meter readings made in accordance with Company's meter reading schedule. Company, except if prevented by reasons beyond its control, shall read customers meters at least quarterly, except that customer-read meters shall be read at least once during the calendar year.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read Customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, Customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's meter fails to register properly by reason of damage, accident, etc., Company shall have the right to estimate Customer's consumption during the period of failure on the basis of such factors as Customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Bills are due and payable at the office of Company during business hours, or at other locations designated by Company, within sixteen (16) business days (no less than twenty-two (22) calendar days) from date of rendition thereof. If full payment is not received by the due date of the bill, a late payment charge will be assessed on the current month's charges. Beginning October 1, 2010, residential customers who receive a pledge for or notice of low income energy assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received, nor will they be assessed or required to pay a late payment charge in any of the eleven (11) months following receipt of such pledge or notice. There will be no adverse credit impact on the customer's payment and credit record, including credit scoring, both internally and externally, and the account will not be considered delinquent for any purpose if the Company receives the customer's payment within fifteen days after the date on which the Company issues the customer's bill.

Failure to receive a bill does not exempt Customer from these provisions of Company's Terms and Conditions.

#### READING OF SEPARATE METERS NOT COMBINED

For billing purposes, each meter upon Customer's premises will be considered separately and readings of two (2) or more meters will not be combined except where Company's operating convenience requires the installation of two (2) or more meters upon Customer's premises instead of one (1) meter.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### BILLING

#### CUSTOMER RATE ASSIGNMENT

If Customer takes service under a rate schedule the eligibility for which contains a minimum or maximum demand parameter (or both), Company will review Customer's demand and usage data at least once annually to determine the rate schedule under which Customer will take service until the next review and rate determination. Company will also conduct such a review and determination upon Customer's request. Company shall not be obligated to change Customer's rate determination based upon detection of a substantial deviation of Customer's demand or usage if, after consultation with Customer, Company determines in its sole discretion that such deviation is not indicative of Customer's likely long-term demand. Similarly, Company may assign Customer to a rate schedule for which Customer would not be eligible based solely on Customer's historical demand or usage, but Company may do so only as part of a review and rate determination that involves consulting with Customer about Customer's likely future demand, as well as Customer's special contract demand, if applicable.

Any such review and rate determination shall be deemed conclusively to be the correct rate determination for Customer for all purposes and for all periods until Company conducts the next such review and determination for Customer. Therefore, Company shall not be liable for any refunds to Customer based upon Customer's rate assignment, and Company shall not seek to back-bill Customer based upon Customer's rate assignment, for any periods between and including such reviews and determinations unless, and only in the event that, a particular review and rate determination are shown to have been materially erroneous at the time they were conducted, in which case Company may be liable for a refund, or may back-bill Customer, only for the period from the erroneous review and determination to the present or the next non-erroneous review and determination, whichever is shorter.

If Company determines during a review as described above that Customer is eligible to take service under more than one rate schedule and that Customer is then taking service under such a rate schedule, Company will not change Customer's rate assignment; it will remain Customer's responsibility to choose between optional rates, as stated in the Optional Rates section of Customer Responsibilities at Original Sheet Nos. 97 and 97.1.

If Company determines during a review as described above that Customer is eligible to take service under more than one rate schedule and that Customer is not then taking service under such a rate schedule, Company will (1) provide reasonable notice to Customer of the options available and (2) assign Customer to the rate schedule Company reasonably believes will be most financially beneficial to Customer based on Customer's historical demand and usage, which assignment Company will change upon Customer's request to take service under another rate schedule for which Customer is eligible. Company shall have no refund obligation or bear any other liability or responsibility for its initial assignment of Customer to a rate for which Customer is eligible; it is at all times Customer's responsibility to choose between optional rates, as stated in the Optional Rates section of Customer Responsibilities at Original Sheet Nos. 97 and 97.1.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### BILLING

Nothing in this section is intended to curtail or diminish Customer's responsibility to choose among optional rates, as stated in the Optional Rates section of Customer Responsibilities at Original Sheet Nos. 97 and 97.1. Likewise, except as explicitly stated in the paragraph above, nothing in this section creates an obligation or responsibility for Company to assign Customer to a particular rate schedule for which Customer is eligible if Customer is eligible for more than one rate schedule.

### CUSTOMER RATE MIGRATION

A change from one rate to another will be effective with the first full billing period following a customer's request for such change, or with a rate change mandated by changes in a customer's load. In cases where a change from one rate to another necessitates a change in metering, the change from one rate to another will be effective with the first full billing period following the meter change.

### CLASSIFICATION OF CUSTOMERS

For purposes of rate application hereunder, non-residential customers will be considered "industrial" if they are primarily engaged in a process or processes which create or change raw or unfinished materials into another form or product, and/or in accordance with the North American Industry Classification System, Sections 21, 22, 31, 32 and 33. All other non-residential customers will be defined as "commercial."

### MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, Company will monitor the usage of each customer at least once annually. In addition, Company may investigate usage deviations brought to its attention as a result of its ongoing meter reading or billing processor customer inquiry. Should an unusual deviation in Customer's consumption be found which cannot be attributed to a readily identified cause, Company may perform a detailed analysis of Customer's meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of Customer's meter reading and billing records, Company may contact Customer to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume. Where the deviation is not otherwise explained, Company will test Customer's meter to determine whether it shows an average error greater than two (2) percent fast or slow. Company will notify Customer of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5).

### RESALE OF ELECTRIC ENERGY

Electric energy furnished under Company's standard application or contract is for the use of Customer only and Customer shall not resell such energy to any other person, firm, or corporation on the Customer's premises, or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other person, firm, or corporation provided the sum of such allocations does not exceed Company's billing.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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**TERMS AND CONDITIONS**

**BILLING**

**MINIMUM CHARGE**

Without limiting the foregoing, the Demand Charge shall be due regardless of any event or occurrence that might limit (a) Customer's ability or interest in operating Customer's facility, including, but without limitation, any acts of God, fires, floods, earthquakes, acts of government, terrorism, severe weather, riot, embargo, changes in law, or strikes or (b) Company's ability to serve customer.

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## TERMS AND CONDITIONS

### Deposits

#### GENERAL

- 1) Company may require a cash deposit or other guaranty from customers to secure payment of bills in accordance with 807 KAR 5:006, Section 7, except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.
- 2) Deposits may be required from all customers not meeting satisfactory credit and payment criteria. Satisfactory credit for customers will be determined by utilizing independent credit sources (primarily utilized with new customers having no prior history with Company), as well as historic and ongoing payment and credit history with Company.
  - a) Examples of independent credit scoring resources include credit scoring services, public record financial information, financial scoring and modeling services, and information provided by independent credit/financial watch services.
  - b) Satisfactory payment criteria with Company may be established by paying all bills rendered, having no disconnections for nonpayment, having no late notices, having no defaulted credit arrangements, having no returned payments, having no meter diversion or theft of service.
- 3) Company may offer residential or general service customers the option of paying all or a portion of their deposits in installments over a period not to exceed the first four (4) normal billing periods. Service may be refused or discontinued for failure to pay and/or maintain the requested deposit.
- 4) Interest on deposits will be calculated at the rate prescribed by law, from the date of deposit, and will be paid annually either by refund or credit to Customer's bills, except that no refund or credit will be made if Customer's bill is delinquent on the anniversary date of the deposit. If interest is paid or credited to Customer's bill prior to twelve (12) months from the date of deposit, the payment or credit will be on a prorated basis. Upon termination of service, the deposit, any principal amounts, and interest earned and owing will be credited to the final bill, with any remainder refunded to Customer.

#### RESIDENTIAL

- 1) Residential customers are those customers served under Residential Service, Sheet No. 5.
- 2) The deposit for a residential customer is in the amount of \$135.00, which is calculated in accordance with 807 KAR 5:006, Section 7(1)(b).
- 3) Company will retain Customer's deposit for a period not to exceed twelve (12) months, provided Customer has met satisfactory payment and credit criteria.
- 4) If a deposit is held longer than eighteen (18) months, the deposit will be recalculated at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00, Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 5) If Customer fails to maintain a satisfactory payment or credit record, or otherwise become a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

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## TERMS AND CONDITIONS

### Deposits

#### GENERAL SERVICE

- 1) General service customers are those customers served under General Service, Sheet No. 10.
- 2) The deposit for a general service customer is in the amount of \$220.00, which is calculated in accordance with 807 KAR 5:006, Section 7(1)(b). The deposit for a General Service customer may be waived when the General Service delivery is to a detached building used in conjunction with a Residential Service and the General Service usage is no more than 300 kWh per month.
- 3) Company shall retain Customer's deposit as long as Customer remains on service.
- 4) For a deposit held longer than eighteen (18) months, the deposit will be recalculated, at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than ten (10%) percent, Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 5) If Customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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#### OTHER SERVICE

- 1) The deposit for all other customers, those not classified herein as residential or general service, shall not exceed 2/12 of Customer's actual or estimated annual bill where bills are rendered monthly in accordance with 807 KAR 5:006, Section 7(1)(a).
- 2) For customers not meeting the parameters of GENERAL SERVICE ¶ 2, above, Company may retain Customer's deposit as long as Customer remains on service.
- 3) For a deposit held longer than eighteen (18) months, the deposit will be recalculated, at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than ten (10%) percent, Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 4) If Customer fails to maintain a satisfactory payment or credit record, or otherwise become a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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



## TERMS AND CONDITIONS

### Budget Payment Plan

Company's Budget Payment Plan is available to any residential customer or general service customer. Under this plan, a customer may elect to pay, each billing period, a budgeted amount in lieu of billings for actual usage. A customer may enroll in this plan at any time.

The budgeted amount will be determined by Company and will be based on one-twelfth of Customer's usage for either an actual or estimated twelve (12) months. The budgeted amount will be subject to review and adjustment by Company at any time during Customer's budget year. If actual usage indicates Customer's account will not be current with the final payment in Customer's budget year, Customer will be required to pay their Budget Payment Plan account to \$0 prior to the beginning of the customer's next budget year.

If a customer fails to pay bills as agreed under the Budget Payment Plan, Company reserves the right to remove the customer from the plan, restore the customer to regular billing, and require immediate payment of any deficiency. A customer removed from the Budget Payment Plan for non-payment may be prohibited from further participation in the plan for twelve (12) months.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

TERMS AND CONDITIONS

Bill Format



Customer Service: 1-800-331-7370 (M-F, 7a.m. to 7 p.m. ET)  
 Telephone Payments: 1-800-331-7370; press 1-2-2-3  
 (24 hours a day; \$2.95 fee)  
 Walk-in Center Hours: Open Mon-Fri 8 a.m. to 5 p.m. ET  
 Online Customer Self-Service: [www.ku-ku.com](http://www.ku-ku.com) (24 hours a day)

DATE DUE	AMOUNT DUE
04/25/13	\$124.31

Late Payment Fees will be applied to current charges if the current amount due is not received in full by the payment due date on this bill even if payment arrangements have been made. Please have your account number available when calling to discuss your account.

ACCOUNT INFORMATION	
Account Number:	3000-0216-5900
Account Name:	JOHN DOE
Service Address:	1234 ANYWHERE ST
Next Read Will Occur:	05/03/13 - 05/07/13
Date Bill Mailed:	04/04/13 (Meter Read Portion 04)

Averages for Billing Period	This Year	Last Year
Average Temperature	58 °	47 °
Number of Days Billed	29	30
Electric/kwh per Day	51.3	39.9

BILLING SUMMARY	
Previous Balance	150.00
Payments as of 3/8 - 4/3	-\$150.00
Balance as of 4/3	0.00
Electric Charges	117.27
Taxes and Fees	7.04
Utility Charges as of 4/3	124.31
<b>Total Amount Due</b>	<b>124.31</b>

ELECTRIC CHARGES		
Rate Type: Residential Service		
Basic Service Charge	8.50	Meter Reading Information
Energy Charge (\$0.06987 x 1,444 kwh)	100.89	
Electric DSM (\$0.00223 x 1,444 kwh)	3.22	Meter # #12345
Fuel Adjustment (\$0.00150 x 1,444 kWh)	2.17	Actual Reading on 4/3/13
Environmental Surcharge (2.030% x \$114.78)	2.33	Previous Reading on 3/5/13
Home Energy Assistance Fund Charge	0.16	Current kwh Usage
<b>Total Electric Charges</b>	<b>\$117.27</b>	Meter Multiplier
		Metered kwh Usage
		1
		1444

TAXES AND FEES	
Rate Increase For School Tax (3.00% x \$117.27)	3.52
Franchise Fee-Lexington (3.00% x \$117.27)	3.52
<b>Total Taxes and Fees</b>	<b>\$7.04</b>

BILLING INFORMATION	
Late Charge to be Assessed After Due Date	\$3.52

Please see reverse side for additional charges. Bring entire bill when paying in person.

Customer Service (800) 981-0600

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Account Number	Payment Due Date	Amount Due by Due Date	Amount Due After Due Date	Winter Care Donation	Amount Enclosed
3000-0216-5900	04/25/13	\$124.31	\$127.83	\$	\$

OFFICE USE ONLY:  
 MRU1081170, G000000  
 P23.07  
 PF:Y eB:P

Check here if plan(s) requested on back of stub.

PRINTED ON RECYCLED PAPER  
 Rec. 111, 114



Service Address: 1234 Anywhere St

#131900062 4#  
 JOHN DOE  
 1234 Anywhere St  
 Lexington, KY KY 40026-9745



02000000000000000000000000000000124560000001169500000000000000000

TERMS AND CONDITIONS

Bill Format

Account Number 3000-0216-5900 Page 2

**IMPORTANT INFORMATION**

The power to save. It's in your hands. The amount of electricity you consumed during this billing cycle resulted in the production of approximately 10 pounds of CO2 (carbon). A typical residential customer uses 1,000 kilowatt hours of electricity per month, which would result in the production of 2,000 lbs. of carbon. Visit our Web site at [www.lge-ku.com](http://www.lge-ku.com) for Smart Saver tips designed to help you better manage and lessen the environmental impact of your energy usage.

For a copy of your rate schedule, visit [www.lge-ku.com](http://www.lge-ku.com) or call our Customer Service Department.

If you use mail to submit your payment, please update your records to reflect the new address (located on the front of the bill stub) for our payment processing center. Remember, you can pay your bill on line when you sign in or register your account at [my.lge-ku.com](http://my.lge-ku.com).

New enrollment only - Please check box(es) below and on front of stub.

- Budget Plan
- I would like to enroll in Demand Conservation
- Auto Pay (voided check must be provided). Please note that any past due balance on your LG&E account will be debited from your bank account immediately upon enrollment in the Auto Pay program. To avoid unintended debits to your bank account, please make sure your LG&E account balance is current before enrolling in Auto Pay.

*Please deduct my Auto Pay Payment from my Checking Account. I hereby authorize KU to debit my bank account for payment of my monthly bill. This authorization applies to all my current and future KU accounts, and will remain in effect until revoked by me or KU.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

*Processing Auto Pay requests can take up to two billing cycles. Please continue making regular payments until you receive a bill that indicates the amount due will be deducted from your bank account on the payment due date.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date of Issue:

Date Effective: January 1, 2013

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

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## TERMS AND CONDITIONS

### Discontinuance of Service

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, Company shall have the right to refuse or discontinue service to an applicant or customer under the following conditions:

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce Customer to comply with its rules and then only after Customer has been given at least ten (10) days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on Customer's or applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify Customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When Customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given fifteen (15) days written notice of Company's intention to discontinue or refuse service.
- D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When Customer or Applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. Service will not be supplied to any premises if Applicant or Customer is indebted to Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Service will not be continued to any premises if Applicant or Customer is indebted to Company for service previously supplied at the same premises in accordance with 807 KAR 5:006, Section 14(1)(f). Unpaid balances of previously rendered Final Bills may be transferred to any account for which Customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred. When there is no lapse in service, such transferred Final Bills will be subject to Company's collections and disconnect procedures in accordance with 807 KAR 5:006, Section 14(1)(f). Final Bills transferred following a lapse in service will not be subject to disconnection unless: (1) such service was provided pursuant to a fraudulent application submitted by Customer; (2) Customer and Company have entered into a contractual agreement which allows for such a disconnection; or (3) the current account is subsequently disconnected for service supplied at that point of delivery, at which time, all unpaid and past due balances must be paid prior to reconnect. Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

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**Date of Issue:**

**Date Effective:** August 1, 2010

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

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## TERMS AND CONDITIONS

### Discontinuance of Service

Service will not be supplied or continued to any premises if at the time of application for service Applicant is merely acting as an agent of a person or former customer who is indebted to Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where Applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.

- H. For non-payment of bills. Company shall have the right to discontinue service for non-payment of bills after Customer has been given at least ten days written notice separate from his original bill. Cut-off may be effected not less than twenty-seven (27) days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than thirty (30) days from the original date of discontinuance. Company shall notify Customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.
- I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means Customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to Customer may be discontinued without notice. Within twenty-four (24) hours after such termination, Company shall send written notification to Customer of the reasons for such discontinuance of service and of Customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. Company shall not be required to restore service until Customer has complied with all rules of Company and regulations of the Commission and Company has been reimbursed for the estimated amount of the service rendered and the cost to Company incurred by reason of the fraudulent use.

When service has been discontinued for any of the above reasons, Company shall not be responsible for any damage that may result therefrom.

Discontinuance or refusal of service shall be in addition to, and not in lieu of, any other rights or remedies available to Company.

Company may defer written notice based on Customer's payment history provided Company continues to provide the required ten (10) days written notice prior to discontinuance of service.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

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## TERMS AND CONDITIONS

### Line Extension Plan

#### A. AVAILABILITY

In all territory served by where Company does not have existing facilities to meet Customer's electric service needs.

#### B. DEFINITIONS

- 1) "Company" shall mean Kentucky Utilities Company.
- 2) "Customer" shall mean the applicant for service. When more than one electric service is requested by an applicant on the same extension, such request shall be considered one customer under this plan when the additional service request(s) is only for incidental or minor convenience loads or when the applicant for service is the developer of a subdivision.
- 3) "Line Extension" shall mean the single phase facilities required to serve Customer by the shortest route most convenient to Company from the nearest existing adequate Company facilities to Customer's delivery point, approved by Company, and excluding transformers, service drop, and meters, if required and normally provided to like customers.
- 4) "Permanent Service" shall mean service contracted for under the terms of the applicable rate schedule but not less than one year and where the intended use is not seasonal, intermittent, or speculative in nature.
- 5) "Commission" shall mean the Public Service Commission of Kentucky.

#### C. GENERAL

- 1) All extensions of service will be made through the use of overhead facilities except as provided in these rules.
- 2) Customer requesting service which requires an extension(s) shall furnish to Company, at no cost, properly executed easement(s) for right-of-way across Customer's property to be served.
- 3) Customer requesting extension of service into a subdivision, subject to the jurisdiction of a public commission, board, committee, or other agency with authority to zone or otherwise regulate land use in the area and require a plat (or Plan) of the subdivision, Customer shall furnish, at no cost, Company with the plat (or plan) showing street and lot locations with utility easement and required restrictions. Plats (or plans) supplied shall have received final approval of the regulating body and recorded in the office of the appropriate County Court Clerk when required. Should no regulating body exist for the area into which service is to be extended, Customer shall furnish Company the required easement.
- 4) The title to all extensions, rights-of way, permits, and easements shall be and remain with Company.
- 5) Where Company is required or elects to construct an additional extension or lateral to serve Customer or another customer, Company reserves the right to connect to any extension constructed under this plan and Customer shall grant to Company, at no cost, properly executed easement(s) for right-of-way across Customer's property for the additional extension or lateral.
- 6) Customer must agree in writing to take service when the extension is completed and have his building or other permanent facility wired and ready for connection.
- 7) Nothing herein shall be construed as preventing Company from making electric line extensions under more favorable terms than herein prescribed provided the potential revenue is of such amount and permanency as to warrant such terms and render economically

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

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## TERMS AND CONDITIONS

### Line Extension Plan

#### C. GENERAL (continued)

feasible the capital expenditure involved and provided such extensions are made to other customers under similar conditions.

- 8) Company may require a non-refundable deposit in cases where Customer does not have a real need or in cases where the estimated revenue does not justify the investment.
- 9) Company shall not be obligated to extend its lines in cases where such extensions, in the good judgment of Company, would be infeasible, impractical, or contrary to good engineering or operating practice, unless otherwise ordered by Commission.

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#### D. NORMAL LINE EXTENSIONS

- 1) In accordance with 807 KAR 5:041, Section 11(1), Company will provide, at no cost, a line extension of up to 1,000 feet to Customer requesting permanent service where the installed transformer capacity does not exceed 25 kVA.
- 2) Where Customer requires poly-phase service or transformer capacity in excess of 25 kVA and Company provides such facilities, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost to Company in providing facilities above that required in NORMAL LINE EXTENSIONS ¶ 1 above.

#### E. OTHER LINE EXTENSIONS

- 1) In accordance with 807 KAR 5:041, Section 11(2), Company shall provide to Customer requesting permanent service a line extension in excess of 1,000 feet per customer but Company may require the total cost of the footage in excess of 1,000 feet per customer, based on the average cost per foot of the total extension, be deposited with Company by Customer.
- 2) Each year for ten (10) years Company shall refund to Customer, who made the deposit for excess footage, the cost of 1,000 feet of extension for each additional customer connected during that year directly to the original extension for which the deposit was made.
- 3) Each year for ten (10) years Company shall refund to Customer, who made the deposit for excess footage, the cost of 1,000 feet of extension less the length of the lateral or extension for each additional customer connected during that year by a lateral or extension to the original extension for which the deposit was made.
- 4) No refund shall be made for additional customers connected to an extension or lateral from the original extension for which the deposit was made.
- 5) The total amount refunded shall not exceed the amount originally deposited nor shall any refund be made after the ten (10) year refund period ends.
- 6) Where Customer requires poly-phase service or transformer capacity above 25 kVA per customer and Company provides such facilities, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost to Company in providing facilities above that required in OTHER LINE EXTENSIONS ¶ 1 above.

#### F. OVERHEAD LINE EXTENSIONS TO SUBDIVISIONS

- 1) In accordance with 807 KAR 5:041, Section 11(3), Customer desiring service extended for and through a subdivision may be required by Company to deposit the total cost of the extension.
- 2) Each year for ten (10) years Company shall refund to Customer, the cost of 1,000 feet of extension for each additional customer connected during that year directly to the original extension for which the deposit was made.
- 3) The total amount refunded shall not exceed the amount originally deposited nor shall any refund be made after the ten-year refund period ends.

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**Date of Issue:**

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

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## TERMS AND CONDITIONS

### Line Extension Plan

#### G. MOBILE HOME LINE EXTENSIONS

- 1) Company will make line extensions for service to mobile homes in accordance with 807 KAR 5:041, Section 12, and Commission's Order, dated August 9, 1991, in Case No. 91-213,
- 2) Company shall provide, at no cost, a line extension of up to 300 feet to Customer requesting permanent service for a mobile home.
- 3) Company shall provide to Customer requesting permanent service for a mobile home a line extension in excess of 300 feet and up to 1,000 feet but Company may require the total cost of the footage in excess of 300 feet, based on the average cost per foot of the total extension, be deposited with Company by Customer. Beyond 1,000 feet, the policies set forth in OTHER LINE EXTENSIONS shall apply.
- 4) Each year for four (4) years Company shall refund to Customer equal amounts of the deposit for the extension from 300 feet to 1,000 feet.
- 5) If service is disconnected for sixty (60) days, if the original mobile home is removed and not replaced by another mobile home or a permanent structure in sixty (60) days, the remainder of the deposit is forfeited.
- 6) No refund will be made except to the original customer.

#### H. UNDERGROUND LINE EXTENSIONS

##### General

- 1) Company will make underground line extensions for service to new residential customers and subdivisions in accordance with 807 KAR 5:041, Section 21.
- 2) In order that Company may make timely provision for materials, and supplies, Company may require Customer to execute a contract for an underground extension under these Terms and Conditions with Company at least six (6) months prior to the anticipated date service is needed and Company may require Customer to deposit with Company at least 10% of any amounts due under the contract at the time of execution. Customer shall deposit the balance of any amounts due under the contract with Company prior to ordering materials or commencement of actual construction by Company of facilities covered by the contract.
- 3) Customer shall give Company at least 120 days written notice prior to the anticipated date service is needed and Company will undertake to complete installation of its facilities at least thirty (30) days prior to that date. However, nothing herein shall be interpreted to require Company to extend service to portions of subdivisions not under active development.
- 4) At Company's discretion, Customer may perform a work contribution to Company's specifications, including but not limited to conduit, setting pads, or any required trenching and backfilling, and Company shall credit amounts due from Customer for underground service by Company's estimated cost for such work contribution.
- 5) Customer will provide, own, operate and maintain all electric facilities on his side of the point of delivery with the exception of Company's meter.
- 6) In consideration of Customer's underground service, Company shall credit any amounts due under the contract for each service at the rate of \$50.00 or Company's average estimated installed cost for an overhead service whichever is greater.
- 7) Unit charges, where specified herein, are determined from Company's estimate of Company's average unit cost of such construction and the estimated cost differential between underground and overhead distribution systems in representative residential subdivisions.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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



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## TERMS AND CONDITIONS

### Line Extension Plan

#### H. UNDERGROUND EXTENSIONS

##### General (continued)

- 8) Three phase primary required to supply either individual loads or the local distribution system may be overhead unless Customer chooses underground construction and deposits with Company a non-refundable deposit for the cost differential.

##### Individual Premises

Where Customer requests and Company agrees to supply underground service to an individual premise, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity.

##### Medium Density Subdivisions

- 1) A medium density residential subdivision is defined as containing ten or more lots for the construction of new residential buildings each designed for less than five (5)-family occupancy.
- 2) Customer shall provide any required trenching and backfilling or at Company's discretion be required to deposit with Company a non-refundable amount determined by a unit charge of \$8.93 per aggregate lot front-foot along all streets contiguous to the lots to be served through an underground extension.
- 3) The Customer may be required to advance to the Company the Company's full estimated cost of construction of an underground electric distribution extension. Where Customer is required to provide trenching and backfilling, advance will be the Company's full estimate cost of construction. Where Customer is required to deposit with the Company a non-refundable advance in place of trenching and backfilling, advance will be determined by a unit charge of \$20.61 per aggregate lot front-foot along all streets contiguous to the lots to be served through an underground extension.
- 4) Each year for ten (10) years Company shall refund to Customer an amount determined as follows:
  - a. Where customer is required to provide trenching and backfilling, a refund of \$5,000 for each customer connected during that year.
  - b. Where customer is required to provide a non-refundable advance, 500 times the difference in the unit charge advance amount in 3) and the non-refundable unit charge advance in 2) for each customer connected during that year
- 5) In no case shall the refunds provided for herein exceed the amounts deposited less any non-refundable charges applicable to the project nor shall any refund be made after a ten-year refund period ends.

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**Date of Issue:**

**Date Effective: With Bills Rendered On and After December 30, 2011**

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

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## TERMS AND CONDITIONS

### Line Extension Plan

#### H. UNDERGROUND EXTENSIONS (continued)

##### High Density Subdivisions

- 1) A high density residential subdivision is defined as building complexes consisting of two or more buildings each not more than three stories above grade and each designed for five (5) or more family occupancy.
- 2) Customer shall provide any required trenching and backfilling or at Company's discretion be required to deposit with Company a non-refundable amount for the additional cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity.
- 3) The Customer may be required to advance to the Company the Company's full estimated cost of construction of an underground electric distribution extension.
  - i. Company shall refund to Customer any amounts due when permanent service is provided by Company to twenty (20%) percent of the family units in Customer's project.
  - ii. In no case shall the refunds provided for herein exceed the amounts deposited less any non-refundable charges applicable to the project nor shall any refund be made after a ten-year refund period ends.

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##### Other Underground Subdivisions

In cases where a particular residential subdivision does not meet the conditions provided for above, Customer requests and Company agrees to supply underground service, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity.

#### I. SPECIAL CASES

- 1) Where Customer requests service that is seasonal, intermittent, speculative in nature, at voltages of 34.5kV or greater, or where the facilities requested by Customer do not meet the Terms and Conditions outlined in previous sections of LINE EXTENSION PLAN and the anticipated revenues do not justify Company's installing facilities required to meet Customer's needs, Company may request that Customer deposit with Company a refundable amount to justify Company's investment.
- 2) Each year for ten (10) years Company shall refund to Customer, an amount calculated by:
  - a. Adding the sum of Customer's annual base rate monthly electric demand billing for that year to the sum of the annual base rate monthly electric billing of the monthly electric demand billing for that year of any customer(s), who connects directly to the facilities provided for in this agreement and requiring no further investment by Company
  - b. times the refundable amount divided by the estimated total ten-year base rate electric demand billing required to justify the investment.
- 3) The total amount refunded shall not exceed the amount originally deposited nor shall any refund be made after the ten-year refund period ends.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Energy Curtailment and Service Restoration Procedures

#### PURPOSE

To provide procedures for reducing the consumption of electric energy on the Kentucky Utilities Company (Company) system in the event of a capacity shortage and to restore service following an outage. Notwithstanding any provisions of these Energy Curtailment and Service Restoration Procedures, the Company shall have the right to take whatever steps, with or without notice and without liability on Company's part, that the Company believes necessary, in whatever order consistent with good utility practices and not on an unduly discriminatory basis, to preserve system integrity and to prevent the collapse of the Company's electric system or interconnected electric network or to restore service following an outage. Such actions will be taken giving priority to maintaining service to the Company's retail and full requirements customers relative to other sales whenever feasible and as allowed by law.

#### ENERGY CURTAILMENT PROCEDURE

##### PRIORITY LEVELS

For the purpose of these procedures, the following Priority Levels have been established:

- I. Essential Health and Safety Uses -- to be given special consideration in these procedures shall, insofar as the situation permits, include the following types of use
  - A. "Hospitals", which shall be limited to institutions providing medical care to patients.
  - B. "Life Support Equipment", which shall be limited to kidney machines, respirators, and similar equipment used to sustain the life of a person.
  - C. "Police Stations and Government Detention Institutions", which shall be limited to essential uses required for police activities and the operation of facilities used for the detention of persons.
  - D. "Fire Stations", which shall be limited to facilities housing mobile fire-fighting apparatus.
  - E. "Communication Services", which shall be limited to essential uses required for telephone, telegraph, television, radio and newspaper operations, and operation of state and local emergency services.
  - F. "Water and Sewage Services", which shall be limited to essential uses required for the supply of water to a community, flood pumping and sewage disposal.
  - G. "Transportation and Defense-related Services", which shall be limited to essential uses required for the operation, guidance control and navigation of air, rail and mass transit systems, including those uses essential to the national defense and operation of state and local emergency services. These uses shall include essential street, highway and signal-lighting services.

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**Date of Issue:**

**Date Effective: January 8, 2007**

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

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## TERMS AND CONDITIONS

### Energy Curtailment and Service Restoration Procedures

Although, when practical, these types of uses will be given special consideration when implementing the manual load-shedding provisions of this program, any customer may be affected by rotating or unplanned outages and should install emergency generation equipment if continuity of service is essential. Where the emergency is system-wide in nature, consideration will be given to the use of rotating outages as operationally practicable. In case of customers supplied from two utility sources, only one source will be given special consideration. Also, any other customers who, in their opinion, have critical equipment should install emergency generation equipment.

Company maintains lists of customers with life support equipment and other critical needs for the purpose of curtailments and service restorations. Company, lacking knowledge of changes that may occur at any time in customer's equipment, operation, and backup resources, does not assume the responsibility of identifying customers with priority needs. It shall, therefore, be the customer's responsibility to notify Company if Customer has critical needs.

- II. Critical Commercial and Industrial Uses -- Except as described in Section III below, these uses shall include commercial or industrial operations requiring regimented shutdowns to prevent conditions hazardous to the general population, and to energy utilities and their support facilities critical to the production, transportation, and distribution of service to the general population. Company shall maintain a list of such customers for the purpose of curtailments and service restoration.
- III. Residential Use -- The priority of residential use during certain weather conditions (for example severe winter weather) will receive precedence over critical commercial and industrial uses. The availability of Company service personnel and the circumstances associated with the outage will also be considered in the restoration of service.
- IV. Non-critical commercial and industrial uses.
- V. Nonessential Uses -- The following and similar types of uses of electric energy shall be considered nonessential for all customers:
  - A. Outdoor flood and advertising lighting, except for the minimum level to protect life and property, and a single illuminated sign identifying commercial facilities when operating after dark.
  - B. General interior lighting levels greater than minimum functional levels.
  - C. Show-window and display lighting.
  - D. Parking-lot lighting above minimum functional levels.
  - E. Energy use to lower the temperature below 78 degrees during operation of cooling equipment and above 65 degrees during operation of heating equipment.
  - F. Elevator and escalator use in excess of the minimum necessary for non-peak hours of use.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

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## TERMS AND CONDITIONS

### Energy Curtailment and Service Restoration Procedures

- G. Energy use greater than that which is the minimum required for lighting, heating, or cooling of commercial or industrial facilities for maintenance cleaning or business-related activities during non-business hours.

Non-jurisdictional customers will be treated in a manner consistent with the curtailment procedures contained in the service agreement between the parties or the applicable tariff.

### CURTAILMENT PROCEDURES

In the event Company's load exceeds internal generation, transmission, or distribution capacity, or other system disturbances exist, and internal efforts have failed to alleviate the problem, including emergency energy purchases, the following steps may be taken, individually or in combination, in the order necessary as time permits:

1. Customers having their own internal generation capacity will be curtailed, and customers on curtailable contracts will be curtailed for the maximum hours and load allowable under their contract. Nothing in this procedure shall limit Company's rights under the Curtailable Service Rider tariff.
2. Power output will be maximized at Company's generating units.
3. Company use of energy at its generating stations will be reduced to a minimum.
4. Company's use of electric energy in the operation of its offices and other facilities will be reduced to a minimum.
5. The Kentucky Public Service Commission will be advised of the situation.
6. An appeal will be made to customers through the news media and/or personal contact to voluntarily curtail as much load as possible. The appeal will emphasize the defined priority levels as set forth above.
7. Customers will be advised through the use of the news media and personal contact that load interruption is imminent.
8. Implement procedures for interruption of selected distribution circuits.

### SERVICE RESTORATION PROCEDURES

Where practical, priority uses will be considered in restoring service and service will be restored in the order I through IV as defined under PRIORITY LEVELS. However, because of the varieties of unpredictable circumstances which may exist or precipitate outages, it may be necessary to balance specific individual needs with infrastructure needs that affect a larger population. When practical, Company will attempt to provide estimates of repair times to aid customers in assessing the need for alternative power sources and temporary relocations.

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**Date of Issue:**

**Date Effective: January 8, 2007**

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

**Settlement Agreement Exhibit 5**  
**LG&E Electric Tariffs**

**Louisville Gas and Electric Company**  
220 West Main Street  
Louisville, Kentucky

Rates, Terms and Conditions for Furnishing  
**ELECTRIC SERVICE**

In the nine counties of the Louisville, Kentucky, metropolitan area  
as depicted on territorial maps as filed with the

**PUBLIC SERVICE COMMISSION**  
**OF KENTUCKY**

Date of Issue

Date Effective

January 1, 2013

Issued by  
**Lonnie E. Bellar, Vice President**  
**State Regulation and Rates**

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 1

## GENERAL INDEX Standard Electric Rate Schedules – Terms and Conditions

<u>Title</u>	<u>Sheet Number</u>	<u>Effective Date</u>	
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VFD Volunteer Fire Department Service	7	01-01-13	
GS General Service	10	01-01-13	
PS Power Service	15	01-01-13	
TODS Time-of-Day Secondary Service	20	01-01-13	
ITODP Industrial Time-of-Day Primary Service	22	01-01-13	
CTODP Commercial Time-of-Day Primary Service	23	01-01-13	
RTS Retail Transmission Service	25	01-01-13	
FLS Fluctuating Load Service	30	01-01-13	
LS Lighting Service	35	01-01-13	
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Meter Data Processing Charge			
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**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 1.1

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## GENERAL INDEX

### Standard Electric Rate Schedules – Terms and Conditions

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FF      Franchise Fee Rider	90	10-16-03	
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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 5

Standard Rate

RS  
Residential Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available for single-phase delivery to single family residential service subject to the terms and conditions on Sheet No. 100 of this Tariff.

## RATE

Basic Service Charge: \$10.75 per month

Plus an Energy Charge of: \$ 0.07439 per kWh

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance Program	Sheet No. 92

## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges. Beginning October 1, 2010, residential customers who receive a pledge for or notice of low income energy assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received, nor will they be assessed or required to pay a late payment charge in any of the eleven (11) months following receipt of such pledge or notice.

## TERMS AND CONDITIONS

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

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 7

Standard Rate

**VFD**  
**Volunteer Fire Department Service**

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available for single-phase delivery, 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 firefighting apparatus, and
- 3) half the members must be volunteers.

## RATE

Basic Service Charge: \$10.75 per month  
Plus an Energy Charge of: \$ 0.07439 per kWh

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## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

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## TERMS AND CONDITIONS

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

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 10

Standard Rate

**GS**  
**General Service Rate**

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

To general lighting and small power loads for secondary service.

Service under this schedule will be limited to customers whose 12-month-average monthly maximum loads do not exceed 50 kW. Existing customers with 12-month-average maximum monthly loads exceeding 50 kW who are receiving service under P.S.C. Electric No. 6, Fourth Revision of Original Sheet No. 10 as of February 6, 2009, will continue to be served under this rate at their option. If Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule unless and until Customer meets the Availability requirements that would apply to a new customer.

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## RATE

Basic Service Charge:                    \$20.00 per month for single-phase service  
   \$35.00 per month for three-phase service

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Plus an Energy Charge of:                    \$ 0.08466 per kWh

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## DETERMINATION OF MAXIMUM LOAD

If Company determines based on Customer's usage history that Customer may be exceeding the maximum load permitted under Rate GS, Company may, at its discretion, equip Customer with a meter capable of measuring demand to determine Customer's continuing eligibility for Rate GS. If Customer is equipped with a demand-measuring meter, Customer's load will be measured and will be the average kW demand delivered to the customer during the 15-minute period of maximum use during the month.

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## MINIMUM CHARGE

The Basic Service Charge shall be the Minimum Charge.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 10.1

Standard Rate

**GS**  
General Service Rate

**DUE DATE OF BILL**

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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**LATE PAYMENT CHARGE**

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

T/R

**TERMS AND CONDITIONS**

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 15

Standard Rate

PS  
Power Service Rate

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This rate schedule is available for secondary or primary service.

Service under this schedule will be limited to customers whose 12-month-average monthly minimum secondary loads exceed 50 kW and whose 12-month-average monthly maximum loads do not exceed 250 kW. Secondary or primary customers receiving service under P.S.C. of Ky. Electric No. 6, Fourth Revision of Original Sheet No. 15, Large Commercial Rate LC, and Fourth Revision of Original Sheet No. 25, Large Power Industrial Rate LP, as of February 6, 2009, with loads not meeting these criteria will continue to be served under this rate at their option. If Customer is taking service under this rate schedule and subsequently elects to take service under another rate schedule, Customer may not again take service under this rate schedule unless and until Customer meets the Availability requirements that would apply to a new customer.

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## RATE

	Secondary	Primary	
Basic Service Charge per month:	\$90.00	\$170.00	
Plus an Energy Charge per kWh of:	\$ 0.03550	\$ 0.03416	
Plus a Demand Charge per kW of:			
Summer Rate: (Five Billing Periods of May through September)	\$15.95	\$ 13.50	
Winter Rate: (All other months)	\$13.56	\$ 11.21	

Where the monthly billing demand is the greater of:

- the maximum measured load in the current billing period but not less than 50 kW for secondary service or 25 kW for primary service, or
- a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- a minimum of 60% of the contract capacity based on the maximum load expected on the system or facilities specified by Customer.

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 15.1

Standard Rate

PS  
Power Service

## DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kW demand delivered to the customer during the 15-minute period of maximum use during the month.

Company reserves the right to place a kVA meter and base the billing demand on the measured kVA. The charge will be computed on the measured kVA times 90 percent of the applicable kW charge.

In lieu of placing a kVA meter, Company may adjust the measured maximum load for billing purposes when the power factor is less than 90 percent in accordance with the following formula: (BASED ON POWER FACTOR MEASURED AT THE TIME OF MAXIMUM LOAD).

$$\text{Adjusted Maximum kW Load for Billing Purposes} = \frac{\text{Maximum kW Load Measured} \times 90\%}{\text{Power Factor (in Percent)}}$$

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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## TERM OF CONTRACT

Contracts under this rate shall be for an initial term of one (1) year, remaining in effect from month to month thereafter until terminated by notice of either party to the other.

## TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 20

Standard Rate

TODS  
Time-of-Day Secondary Service

N

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This schedule is available for secondary service. Service under this schedule will be limited to customers whose 12-month-average monthly minimum average loads exceed 250 kW and whose 12-month-average monthly maximum average loads do not exceed 5,000 kW.

## RATE

Basic Service Charge per month:	\$200.00
Plus an Energy Charge per kWh of:	\$ 0.03480
Plus a Maximum Load Charge per kW of:	
Peak Demand Period	\$ 5.96
Intermediate Demand Period	\$ 4.36
Base Demand Period	\$ 3.85

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 250 kW, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kW demand delivered to the customer during the 15-minute period of maximum use during the appropriate rating period each month.

**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 20.1

Standard Rate

TODS  
Time-of-Day Secondary Service

N

## DETERMINATION OF MAXIMUM LOAD (continued)

Company reserves the right to place a kVA meter and base the billing demand on the measured kVA. The charge will be computed based on the measured kVA times 90 percent, of the applicable kW charge.

In lieu of placing a kVA meter, Company may adjust the measured maximum load for billing purposes when the power factor is less than 90 percent in accordance with the following formula: (BASED ON POWER FACTOR MEASURED AT THE TIME OF MAXIMUM LOAD)

$$\text{Adjusted Maximum kW Load for Billing Purposes} = \frac{\text{Maximum kW Load Measured} \times 90\%}{\text{Power Factor (in percent)}}$$

## RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

## TERM OF CONTRACT

Service will be furnished under this schedule only under contract for a fixed term of not less than one (1) year, and for yearly periods thereafter until terminated by either party giving written notice to the other party 90 days prior to termination. Company, however, may require a longer fixed term of contract and termination notice because of conditions associated with the customer's requirements for service.

## TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 22

Standard Rate

## ITODP Industrial Time-of-Day Primary Service

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This schedule is available for industrial primary service. Service under this schedule will be limited to customers whose 12-month-average monthly minimum average loads exceed 250 kVA and whose 12-month-average monthly maximum new loads do not exceed 50,000 kVA. Existing customers may increase loads to a maximum of 75,000 kVA by up to 2,000kVA per year or in greater increments with approval of Company's transmission operator.

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### RATE

Basic Service Charge per month:	\$300.00
Plus an Energy Charge per kWh of:	\$ 0.03028
Plus a Maximum Load Charge per kVA of:	
Peak Demand Period	\$ 4.50
Intermediate Demand Period	\$ 3.66
Base Demand Period	\$ 3.50

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Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- the maximum measured load in the current billing period, or
- a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- the maximum measured load in the current billing period but not less than 250 kVA, or
- a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

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### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 22.1

Standard Rate

## ITODP Industrial Time-of-Day Primary Service

### DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kVA demand delivered to the customer during the 15-minute period of maximum use during the appropriate rating period each month.

### RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

#### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

#### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

### TERM OF CONTRACT

Service will be furnished under this schedule only under contract for a fixed term of not less than one (1) year, and for yearly periods thereafter until terminated by either party giving written notice to the other party 90 days prior to termination. Company, however, may require a longer fixed term of contract and termination notice because of conditions associated with the customer's requirements for service.

### TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 23

Standard Rate

CTODP

Commercial Time-of-Day Primary Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This schedule is available for commercial primary service. Service under this schedule will be limited to customers whose 12-month-average monthly minimum average loads exceed 250 kVA and whose 12-month-average monthly maximum new loads do not exceed 50,000 kVA. Existing customers may increase loads to a maximum of 75,000 kVA by up to 2,000kVA per year or in greater increments with approval of Company's transmission operator.

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## RATE

Basic Service Charge per month: \$300.00

Plus an Energy Charge per kWh of: \$ 0.03300

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Plus a Maximum Load Charge per kVA of:

Peak Demand Period	\$ 5.70
Intermediate Demand Period	\$ 4.00
Base Demand Period	\$ 3.85

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Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- the maximum measured load in the current billing period, or
- a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- the maximum measured load in the current billing period but not less than 250 kVA, or
- a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 23.1

Standard Rate

CTODP

Commercial Time-of-Day Primary Service

## DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kVA demand delivered to the customer during the 15-minute period of maximum use during the appropriate rating period each month.

## RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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## TERM OF CONTRACT

Service will be furnished under this schedule only under contract for a fixed term of not less than one (1) year, and for yearly periods thereafter until terminated by either party giving written notice to the other party 90 days prior to termination. Company, however, may require a longer fixed term of contract and termination notice because of conditions associated with the customer's requirements for service.

## TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 25

Standard Rate

RTS  
Retail Transmission Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This schedule is available for transmission service. Service under this schedule will be limited to customers whose 12-month-average monthly maximum new loads do not exceed 50,000 kVA. Existing customers may increase loads to a 12-month-average monthly maximum of 75,000 kVA by up to 2,000 kVA per year or in greater increments with approval of Company's transmission operator.

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## RATE

Basic Service Charge per month: \$750.00

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Plus an Energy Charge per kWh of: \$ 0.03100

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Plus a Maximum Load Charge per kVA of:

Peak Demand Period \$ 4.45

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Intermediate Demand Period \$ 2.90

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Base Demand Period \$ 2.65

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Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- a) the maximum measured load in the current billing period, or
- b) a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

the monthly billing demand for the Base Demand Period is the greater of:

- a) the maximum measured load in the current billing period but not less than 250 kVA, or
- b) a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- c) a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand-Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 25.1

Standard Rate

RTS  
Retail Transmission Service

## DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kVA demand delivered to the customer during the 15-minute period of maximum use during the appropriate rating period each month.

## RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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## TERM OF CONTRACT

Service will be furnished under this schedule only under contract for a fixed term of not less than one (1) year, and for yearly periods thereafter until terminated by either party giving written notice to the other party 90 days prior to termination. Company, however, may require a longer fixed term of contract and termination notice because of conditions associated with the customer's requirements for service.

## TERMS AND CONDITIONS

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

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 30

Standard Rate

FLS  
Fluctuating Load Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available for primary or transmission service to customers up to an aggregate of two hundred (200) MVA for all customers taking service under this schedule and under the Fluctuating Load Service FLS schedule of Kentucky Utilities Company. This schedule is restricted to individual customers whose monthly demand is twenty (20) MVA or greater. A customer is defined as a fluctuating load if that customer's load either increases or decreases twenty (20) MVA or more per minute or seventy (70) MVA or more in ten (10) minutes when such increases or decreases exceed one (1) occurrence per hour during any hour of the billing month.

Subject to the above aggregate limit of two hundred (200) MVA, this schedule is mandatory for all customers whose load is defined as fluctuating and not served on another standard rate schedule as of July 1, 2004.

## BASE RATE

	<u>Primary</u>	<u>Transmission</u>	
Basic Service Charge per month:	\$750.00	\$750.00	I
Plus an Energy Charge per kWh of:	\$ 0.03100	\$ 0.03100	R
Plus a Maximum Load Charge per kVA of:			
Peak Demand Period	\$ 2.84	\$ 2.84	I
Intermediate Demand Period	\$ 1.79	\$ 1.79	I
Base Demand Period	\$ 1.79	\$ 1.04	I

Where:

the monthly billing demand for the Peak and Intermediate Demand Periods is the greater of:

- the maximum measured load in the current billing period, or
- a minimum of 50% of the highest billing demand in the preceding eleven (11) monthly billing periods, and

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the monthly billing demand for the Base Demand Period is the greater of:

- the maximum measured load in the current billing period but not less than 20,000 kVA, or
- a minimum of 75% of the highest billing demand in the preceding eleven (11) monthly billing periods, or
- a minimum of 75% of the contract capacity based on the maximum load expected on the system or on facilities specified by Customer.

Date of Issue:

Date Effective: January 1, 2013

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 30.1

Standard Rate

FLS  
Fluctuating Load Service

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kVA demand delivered to the customer during the 5-minute period of maximum use during the appropriate rating period each month.

## RATING PERIODS

The rating periods applicable to the Maximum Load charges are established in Eastern Standard Time year round by season for weekdays and weekends, throughout Company's service area, and shall be as follows:

### Summer peak months of May through September

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	10 A.M. – 10 P.M.	1 P.M. – 7 P.M.
Weekends	All Hours		

### All other months of October continuously through April

	<u>Base</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	All Hours	6 A.M. – 10 P.M.	6 A.M. – 12 Noon
Weekends	All Hours		

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 30.2

Standard Rate

FLS  
Fluctuating Load Service

## TERM OF CONTRACT

Unless terminated by mutual agreement, the initial term of contract for service shall be for a fixed term of five (5) years with successive one (1) year term renewal until canceled by either party giving at least one (1) year written notice to the other prior to the end of the initial term or the then current annual renewal period, as applicable.

## PROTECTION OF SERVICE

Where Customer's use of service is intermittent, subject to violent or extraordinary fluctuations, or produces unacceptable levels of harmonic current, in each case as determined by Company in its reasonable discretion, Company reserves the right to require Customer to furnish, at Customer's own expense, suitable equipment (as approved by Company in its reasonable discretion) to meter and limit such intermittence, fluctuation, or harmonics to the extent reasonably requested by Company. Without limiting the foregoing, Company may require such equipment if, at any time, the megavars, harmonics, and other undesirable electrical characteristics produced by the Customer exceed the limits set forth in the IEEE standards for such characteristics. In addition, if the Customer's use of Company's service under this schedule causes such undesirable electrical characteristics in an amount exceeding those IEEE standards, such use shall be deemed to cause a dangerous condition which could subject any person to imminent harm or result in substantial damage to the property of Company or others, and Company shall therefore terminate service to the Customer in accordance with 807 KAR 5:006, Section 14(1)(b). Such a termination of service shall not be considered a cancellation of the service agreement or relieve Customer of any minimum billing or other guarantees. Company shall be held harmless for any damages or economic loss resulting from such termination of service. If requested by Company, Customer shall provide all available information to Company that aids Company in enforcing its service standards. If Company at any time has a reasonable basis for believing that Customer's proposed or existing use of the service provided will not comply with the service standards for interference, fluctuations, or harmonics, Company may engage such experts and/or consultants as Company shall determine are appropriate to advise Company in ensuring that such interference, fluctuations, or harmonics are within acceptable standards. Should such experts and/or consultants determine Customer's use of service is unacceptable, Company's use of such experts and/or consultants will be at the Customer's expense.

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## SYSTEM CONTINGENCIES AND INDUSTRY SYSTEM PERFORMANCE CRITERIA

Company reserves the right to interrupt up to 95% of Customer's load to facilitate Company compliance with system contingencies and with industry performance criteria. Customer will permit Company to install electronic equipment and associated real-time metering to permit Company interruption of Customer's load. Such equipment will immediately notify Customer five (5) minutes before an electronically initiated interruption that will begin immediately thereafter and last no longer than ten (10) minutes nor shall the interruptions exceed twenty (20) per month. Such interruptions will not be accumulated nor credited against annual hours, if any, under the CURTAILABLE SERVICE RIDERS CSR10 and CSR30. Company's right to interrupt under this provision is restricted to responses to unplanned outage or de-rates of LG&E and KU Energy LLC System ("LKE System") owned or purchased generation or when Automatic Reserve Sharing is invoked. LKE System, as used herein, shall consist of LG&E

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 30.3

Standard Rate

**FLS**  
**Fluctuating Load Service**

and KU. At customer's request, Company shall provide documentation of the need for interruption under this provision within sixty (60) days of the end of the applicable billing period.

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**LIABILITY**

In no event shall Company have any liability to the Customer or any other party affected by the electrical service to the Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to the Customer or any other party. In the event that the Customer's use of Company's service causes damage to Company's property or injuries to persons, the Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold Company harmless from any and all suits, claims, losses, and expenses associated therewith.

**TERMS AND CONDITIONS**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 35

Standard Rate

## LS Lighting Service

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Service under this rate schedule is offered under the conditions set out hereinafter for lighting applications such as, but not limited to, the illumination of street, driveways, yards, lots, and other outdoor areas where secondary voltage of 120/240 is available.

Service will be provided under written contract, signed by customer prior to service commencing, when additional facilities are required.

Units marked with an asterisk (\*) are not available for use in residential neighborhoods except by municipal authorities.

### OVERHEAD SERVICE

Based on Customer's lighting choice, Company will furnish, own, install, and maintain the lighting unit. A basic overhead service includes lamp, fixture, photoelectric control, mast arm, and, if needed, up to 150 feet of conductor per fixture on existing wood poles (fixture only). Company will, upon request furnish ornamental poles, of Company's choosing, together with overhead wiring and all other equipment mentioned for basic overhead service.

### RATE

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge Fixture Only	
<b>High Pressure Sodium</b>					T
452	Cobra Head	16,000	0.181	\$12.28	N
453	Cobra Head	28,500	0.294	14.33	N
454	Cobra Head	50,000*	0.471	16.31	N
455	Directional	16,000	0.181	\$13.23	N
456	Directional	50,000*	0.471	17.14	N
457	Open Bottom	9,500	0.117	\$10.42	N
<b>Metal Halide</b>					T
470	Directional	12,000	0.150	\$12.27	T/I
473	Directional	32,000	0.350	17.80	T/I
476	Directional	107,800*	1.080	37.19	T/I

Should Customer request underground service, Customer shall make a non-refundable cash contribution prior to the time of installation, or, at the option of Company, make a work contribution to Company for the difference in the installed cost of the system requested and the cost of the overhead lighting system.

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 35.1

## Standard Rate

### LS Lighting Service

Where the location of existing poles is not suitable or where there are no existing poles for mounting of lights, and customer requests service under these conditions, Company may furnish the requested facilities at an additional charge to be determined under the Excess Facilities Rider. For poles installed prior to 8/1/2010, such charge for each pole and span of secondary installed after 6/30/2004 and used in providing a light offered under LS as listed under RLS Sheet No. 36, Bill Code 958, and such charge for each pole and span of secondary installed prior to 6/30/2004 and used in providing a light offered under LS as listed under RLS Sheet No. 36, Bill Code 900.

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### UNDERGROUND SERVICE

Based on Customer's lighting choice, Company will furnish, own, install, and maintain poles, fixtures, and any necessary circuitry up to 200 feet. All poles and fixtures furnished by Company will be standard stocked materials. Company may decline to install equipment and provide service thereto in locations deemed by Company as unsuitable for underground installation.

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### RATE

Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge			
				Fixture Only	Decorative Smooth	Historic Fluted	
<b>High Pressure Sodium</b>							T
412	Colonial, 4-Sided	5,800	0.083		\$19.42		T/I
413	Colonial, 4-Sided	9,500	0.117		20.05		T/I
415	Acorn	5,800	0.083		\$19.81		T/I
416	Acorn	9,500	0.117		22.12		T/I
427	London	5,800	0.083			\$34.83	T/I
429	London	9,500	0.117			35.63	T/I
431	Victorian	5,800	0.083			\$32.56	T/I
433	Victorian	9,500	0.117			34.55	T/I
956	Victorian/London Bases					Westchester/Norfolk \$ 3.56	T N
423	Cobra Head	16,000	0.181		\$25.81		T/I
424	Cobra Head	28,500	0.294		27.69		T/I
425	Cobra Head	50,000*	0.471		32.96		T/I
439/420	Contemporary	16,000	0.181	\$15.92	\$29.35		T/I
440/421	Contemporary	28,500*	0.294	17.52	32.10		T/I
441/422	Contemporary	50,000*	0.471	21.25	37.32		T/I
400	Dark Sky	4,000	0.060		\$23.44		T/I
401	Dark Sky	9,500	0.117		24.46		T/I
<b>Metal Halide</b>							T
479/480	Contemporary	12,000	0.150	\$13.54	\$23.31		T/I
481/482	Contemporary	32,000	0.350	19.58	29.33		T/I
483/484	Contemporary	107,800*	1.080	40.15	49.90		T/I

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 35.2

Standard Rate

## LS Lighting Service

Customer shall make a non-refundable cash contribution prior to the time of installation, or, at the option of company, make a work contribution to Company for the difference in the installed cost of the system requested and the cost of the conventional overhead lighting system.

Where Customer's location would require the installation of additional facilities, Company may furnish, own, and maintain the requested facilities at an additional charge per month to be determined under the Excess Facilities Rider.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. Billing for this service to be made a part of bill rendered for other electric service.

### DETERMINATION OF ENERGY CONSUMPTION

The kilowatt-hours will be determined as set forth on Sheet No. 67 of this Tariff

### ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

### TERM OF CONTRACT

For a fixed term of not less than five (5) years and for such time thereafter until terminated by either party giving thirty (30) days prior written notice to the other when additional facilities are required. Cancellation by Customer prior to the initial five-year term will require Customer to pay to Company a lump sum equal to the monthly charge times the number of months remaining on the original five (5) year term.

### TERMS AND CONDITIONS

1. Service shall be furnished under Company's Terms and Conditions, except as set out herein.
2. All service and maintenance will be performed only during regular scheduled working hours of Company. Customer will be responsible for reporting outages and other operating faults. Company shall initiate service corrections within two (2) business days after such notification by Customer.
3. Customer shall be responsible for the cost of fixture replacement or repairs where such replacement or repairs are caused from willful damage, vandalism, or causes other than normal burnouts. Company may decline to provide or continue service in locations where, in Company's judgment, such facilities will be subject to unusual hazards or risk of damage.

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 35.3

Standard Rate

LS  
Lighting Service

**TERMS AND CONDITIONS (continued)**

- 4. Company shall have the right to make other attachments and to further extend the conductors, when necessary, for the further extension of its electric service.
- 5. If any permit is required from any municipal or other governmental authority with respect to installation and use of any of the lighting units provided hereunder, Company will seek such permits, but the ultimate responsibility belongs with Customer.
- 6. If Customer requests the removal of an existing lighting system, including, but not limited to, fixtures, poles, or other supporting facilities that were in service less than twenty years, and requests installation of replacement lighting within 5 years of removal, Customer agrees to pay to Company its cost of labor to install the replacement facilities.
- 7. Temporary suspension of lighting service is not permitted. Upon permanent discontinuance of service, lighting units and other supporting facilities solely associated with providing service under this tariff, except underground facilities and pedestals, will be removed.

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 36

Standard Rate

## RLS Restricted Lighting Service

### APPLICABLE

In all territory served.

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### AVAILABILITY OF SERVICE

Service under this rate schedule is restricted to those lighting fixtures/poles in service as of August 1, 2012, except where a spot replacement maintains the continuity of multiple fixtures/poles composing a neighborhood lighting system. Spot placement of restricted fixtures/poles is contingent on the restricted fixtures/poles being available from manufacturers. Spot replacement of restricted units will be made under the terms and conditions provided for under non-restricted Lighting Service Rate LS.

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In the event restricted fixtures/poles fail and replacements are unavailable, Customer will be given the choice of having Company remove the failed fixture/pole or replacing the failed fixture/pole with other available fixture/pole

### OVERHEAD SERVICE

Based on Customer's lighting choice, Company has furnished, installed, and maintained the lighting unit complete with lamp, fixture, photoelectric control, mast arm, and, if needed, up to 150 feet of conductor per fixture on existing wood poles (fixture only).

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RATE Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge			
				Fixture Only	Fixture & Wood Pole	Fixture & Orn. Pole	
<b>Mercury Vapor</b>							
252	Cobra/Open Bottom	8,000	0.210	\$ 9.06			T N
458	Cobra Head	8,000	0.210	\$10.62			T/I
203	Cobra Head	13,000	0.298	10.28			N
204	Cobra Head	25,000	0.462	12.51			N
209	Cobra Head	60,000	1.180	25.29			N
207	Directional	25,000	0.462	\$14.54			N
210	Directional	60,000	1.180	26.49			N
201	Open Bottom	4,000	0.100	\$ 7.82			N
<b>Metal Halide</b>							
471	Directional	12,000	0.150		\$14.55	N/A	T T/I
474/475	Directional	32,000	0.350		20.09	27.54	T/I
477	Directional	107,800	1.080		40.37	N/A	T/I
<b>Wood Pole</b>							
958	Installed Before 3/1/2010			\$11.31			T T/I
900	Installed Before 7/1/2004			2.06			T/I

Date of Issue:

Date Effective: January 1, 2013

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 36.1

Standard Rate

RLS  
Restricted Lighting Service

**UNDERGROUND SERVICE**

Based on Customer's lighting choice, Company has furnished, installed, and maintained the lighting unit complete with lamp, fixture, photoelectric control, mast arm, and, if needed, up to 200 feet of conductor per fixture on appropriate poles.

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RATE Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
				Fixture Only	Decorative Smooth	
<b>High Pressure Sodium</b>						
275	Cobra/Contemporary	16,000	0.181		\$24.35	N
266	Cobra/Contemporary	28,500	0.294		26.59	N
267	Cobra Contemporary	50,000	0.471		30.33	N
276	Coach/Acorn	5,800	0.083		\$13.78	N
274	Coach/Acorn	9,500	0.1117		16.73	N
277	Coach/Acorn	16,000	0.181		21.61	N
279/278	Contemporary	120,000	1.000	\$38.88	\$70.00	N
417	Acorn, Bronze	9,500	0.117		\$23.24	T/I
419	Acorn, Bronze	16,000	0.180		24.10	T/I
280	Victorian	5,800	0.083	\$18.99		N
281	Victorian	9,500	0.117	19.89		N
282	London	5,800	0.083	\$19.14		N
283	London	9,500	0.117	20.36		N
426	London	5,800	0.083		\$32.85	T/I
428	London	9,500	0.117		33.65	T/I
430	Victorian	5,800	0.083		31.89	T/I
432	Victorian	9,500	0.117		33.89	T/I
<b>Victorian/London Bases</b>						
950	Old Town				\$ 3.47	N
951	Chesapeake				3.73	N
<b>Poles</b>						
901	10" Smooth Pole				10.81	N
902	10" Fluted Pole				12.90	N

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 36.2

Standard Rate

## RLS Restricted Lighting Service

### UNDERGROUND SERVICE (continued)

RATE Rate Code	Type of Fixture	Approximate Lumens	kW Per Light	Monthly Charge		
				Fixture Only	Decorative Smooth	
<b>Mercury Vapor</b>						
318	Cobra Head	8,000	0.210		\$16.91	T N
314	Cobra Head	13,000	0.298		18.52	N
315	Cobra Head	25,000	0.462		21.95	N
347	Cobra (State of KY Pole)	25,000	0.462	\$21.94		T/I
206	Coach	4,000	0.100		\$12.13	N
208	Coach	8,000	0.210		13.73	N
<b>Incandescent</b>						
349	Continental Jr.	1,500	0.102		\$ 8.72	T T/I
348	Continental Jr.	6,000	0.447		12.18	T/I

Where Customer's location required the installation of additional facilities, Company may have furnished the requested facilities at an additional charge per month to be determined under the Excess Facilities Rider.

### **DUE DATE OF BILL**

Payment is due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. Billing for this service to be made a part of the bill rendered for other electric service.

### **DETERMINATION OF ENERGY CONSUMPTION**

The kilowatt-hours will be determined as set forth on Sheet No. 67 of this Tariff.

### **ADJUSTMENT CLAUSES**

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

Date of Issue:

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 36.3

Standard Rate

RLS  
Restricted Lighting Service

### TERM OF CONTRACT

For a fixed term of not less than five (5) years and for such time thereafter until terminated by either party giving thirty (30) days prior written notice to the other when additional facilities are required. Cancellation by Customer prior to the initial five-year term will require Customer to pay to Company a lump sum equal to the monthly charge times the number of months remaining on the original five (5) year term.

### TERMS AND CONDITIONS

1. Service shall be furnished under Company's Terms and Conditions, except as set out herein.
2. All service and maintenance will be performed only during regular scheduled working hours of Company. Customer will be responsible for reporting outages and other operating faults. Company shall initiate service corrections within two (2) business days after such notification by Customer.
3. Customer shall be responsible for the cost of fixture replacement or repairs where such replacement or repairs are caused from willful damage, vandalism, or causes other than normal burnouts. Company may decline to provide or continue service in locations where, in Company's judgment, such facilities will be subject to unusual hazards or risk of damage.
4. Company shall have the right to make other attachments and to further extend the conductors, when necessary, for the further extension of its electric service.
5. Temporary suspension of lighting service is not permitted. Upon permanent discontinuance of service, lighting units and other supporting facilities solely associated with providing service under this tariff, except underground facilities and pedestals, will be removed.

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**Date of Issue:**  
**Date Effective:** January 1, 2013  
**Issued By:** Lonnie E. Bellar, Vice President, State Regulation and Rates, Louisville, Kentucky

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 37

Standard Rate

LE  
Lighting Energy Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions or agencies of the state or Federal governments, civic associations, and other public or quasi-public agencies for service to public street and highway lighting systems, where the municipality or other agency owns and maintains all street lighting equipment and other facilities on its side of the point of delivery of the energy supplied hereunder.

## RATE

\$0.05847 per kWh.

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

## CONDITIONS OF DELIVERY

1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption taking into account the types of equipment served.
2. The location of the point of delivery of the energy supplied hereunder and the voltage at which such delivery is effected shall be mutually agreed upon by Company and the customer in consideration of the type and size of customer's street lighting system and the voltage which Company has available for delivery.

## TERMS AND CONDITIONS

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

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 38

Standard Rate

TE  
Traffic Energy Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to municipalities, county governments, divisions of the state or Federal governments or any other governmental agency for service on a 24-hour all-day every-day basis, where the governmental agency owns and maintains all equipment on its side of the point of delivery of the energy supplied hereunder. In the application of this rate each point of delivery will be considered as a separate customer.

This service is limited to traffic control devices including, signals, cameras, or other traffic lights and electronic communication devices.

## RATE

Basic Service Charge: \$3.25 per delivery per month

Plus an Energy Charge of: \$0.07044 per kWh

## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91

## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

## CONDITIONS OF SERVICE

1. Service hereunder will be metered except when, by mutual agreement of Company and customer, an unmetered installation will be more satisfactory from the standpoint of both parties. In the case of unmetered service, billing will be based on a calculated consumption, taking into account the size and characteristics of the load, or on meter readings obtained from a similar installation.
2. The location of each point of delivery of energy supplied hereunder shall be mutually agreed upon by Company and the customer. Where attachment of Customer's devices is made to Company facilities, Customer must have an attachment agreement with Company.
3. Loads not operated on an all-day every-day basis will be served under the appropriate rate.

## TERMS AND CONDITIONS

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

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 40

Standard Rate

CTAC  
Cable Television Attachment Charges

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Where Company is willing to permit the attachments of cables, wires and appliances to its poles where, in Company's judgment, such attachments will not interfere with its electric service requirements and other prior licensees using Company's poles. Attachments will be permitted upon execution by both parties of a Cable Television Attachment Agreement supplied by Company.

## ATTACHMENT CHARGE

\$9.11 per year for each attachment to pole.

## BILLING

Attachment Charges to be billed semi-annually based on the number of pole attachments being maintained on December 1 and June 1. Provided, however, that should the Agreement be terminated in accordance with the terms of the said Agreement, the Attachment Charges will be prorated to the date of such termination. Payment will be due within thirty (30) days from date of bill. Non-payment of bills shall constitute a default of the Agreement.

## TERM OF AGREEMENT

The Cable Television Attachment Agreement shall become effective upon execution by both parties and shall continue in effect for not less than one (1) year, subject to provisions contained in the agreement. At any time thereafter, the Customer may terminate the agreement by giving not less than six (6) months' prior written notice. Upon termination of the agreement, Customer shall immediately remove its cables, wire, appliances and all other attachments from all poles of Company.

## TERMS AND CONDITIONS OF POLE ATTACHMENTS

Pole attachments shall be permitted in accordance with this Schedule. Company's Terms and Conditions shall be applicable, to the extent they are not in conflict with or inconsistent with, the special provisions of this Schedule.

Upon written Agreement, Company is willing to permit, to the extent it may lawfully do so, the attachment of cables, wires and appliances to its poles by a cable television system operator, hereinafter "Customer," where, in its judgment, such use will not interfere with its electric service requirements and other prior licensees using Company's poles, including consideration of economy and safety, in accordance with this schedule approved by the Public Service Commission. The Terms and Conditions applicable to such service are as follows:

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 40.1

Standard Rate

**CTAC**  
**Cable Television Attachment Charges**

**1. ATTACHMENT APPLICATIONS AND PERMITS**

Before making attachment to any pole or poles of Company, Customer shall make application and receive a permit therefore on a form to be supplied by Company. The information submitted by Customer with the application for a permit shall consist of drawings and associated descriptive matter which shall be adequate in all detail to enable Company to thoroughly check the proposed installation of Customer. Before the attachments are made, the permit must be approved by Company. Customer shall not build separate pole lines along existing facilities of Company and shall not place intermediate poles in spans of Company, unless authorized by Company in writing. Company shall have the right to remove unauthorized Customer attachments at Customer's expense after notice to Customer. In the event a pole attachment count does not correspond to the recorded attachment count, Customer will pay a back attachment fee for any excess attachments. The back attachment fee will be double the rate otherwise in effect over the time since last pole attachment count and shall be payable on demand.

**2. PERMITTED ATTACHMENTS**

Customer shall be permitted to make only one bolt attachment for one messenger on tangent poles and two bolt attachments for two messengers on corner poles. A maximum of five individual coaxial cables may be supported by any single messenger if these cables are all attached to the messenger by suitable lashings or bindings, and so that the maximum overall dimension of the resulting cable bundle does not exceed two (2) inches. Any messenger attachment other than to tangent poles must be properly braced with guys and anchors provided by Customer to the satisfaction of Company. The use of existing Company anchors for this purpose must be specifically authorized in writing, subject to additional charge, and will not ordinarily be permitted. The use of crossarms or brackets shall not be permitted. In addition to messenger attachments, Customer will be permitted one Customer amplifier installation per pole and four service drops to be tapped on cable messenger strand and not on pole. Customer power supply installations shall be permitted, but only at pole locations specifically approved by Company. Any or all of the above are considered one attachment for billing purposes. Any additional attachments desired by Customer will be considered on an individual basis by Company, and as a separate attachment application.

**3. CONSTRUCTION AND MAINTENANCE REQUIREMENTS AND SPECIFICATIONS**

Customer's cables, wires and appliances, in each and every location, shall be erected and maintained in accordance with the requirements and specifications of the National Electrical Safety Code, current edition, and Company's construction practices, or any amendments or revisions of said Code and in compliance with any rules or orders now in effect or that hereinafter may be issued by the Public Service Commission of Kentucky, or other authority having jurisdiction. In the event any of Customer's construction does not meet any of the foregoing requirements, Customer will correct same in fifteen work days after written notification. Company may make corrections and bill Customer for total costs incurred, if not corrected by Customer.

**4. MAINTENANCE OF ATTACHMENTS**

Customer shall, at its own expense, make and maintain said attachments in safe condition and in thorough repair, and in a manner suitable to Company and so as not to conflict with the use of said poles by Company, or by other parties, firms, corporations, governmental units, etc., using said poles, pursuant to any license or permit by Company, or interfere with the working

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 40.2

Standard Rate

## CTAC Cable Television Attachment Charges

use of facilities thereon or which may, from time to time, be placed thereon. Customer shall promptly at any time, at its own expense, upon written notice from Company, relocate, replace or renew its facilities placed on said poles, and transfer them to substituted poles, or perform any other work in connection with said facilities that may be required by Company but in no case longer than 30 day after date of written request. In cases of emergency, however, Company may arrange to relocate, replace or renew the facilities placed on said poles by Customer, transfer them to substituted poles or perform any other work in connection with said facilities that may be required in the maintenance, replacement, removal or relocation of said poles, the facilities thereon or which may be placed thereon, or for the service needs of Company, or its other licensees, and Customer shall, on demand, reimburse Company for the expense thereby incurred.

### 5. COSTS ASSOCIATED WITH ATTACHMENTS

In the event that any pole or poles of Company to which Customer desires to make attachments are inadequate to support the additional facilities in accordance with the aforesaid specifications, Company will indicate on the application and permit form the changes necessary to provide adequate poles and the estimated cost thereof to Customer. If Customer still desires to make the attachments, Company will replace such inadequate poles with suitable poles and Customer will, on demand, reimburse Company for the total cost of pole replacement necessary to accommodate Customer attachments, less the salvage value of any pole that is removed, and the expense of transferring Company's facilities from the old to the new poles. Where Customer desired attachments can be accommodated on present poles of Company by rearranging Company's facilities thereon, Customer will compensate Company for the full expense incurred in completing such rearrangements, within ten days after receipt of Company's invoice for such expense. Customer will also, on demand, reimburse the owner or owners of other facilities attached to said poles for any expense incurred by it or them in transferring or rearranging said facilities. In the event Customer makes an unauthorized attachment which necessitates rearrangements when discovered, then Customer shall pay on demand twice the expense incurred in completing such rearrangements.

### 6. MAINTENANCE AND OPERATION OF COMPANY'S FACILITIES

Company reserves to itself, its successors and assigns, the right to maintain its poles and to operate its facilities thereon in such manner as will, in its own judgment, best enable it to fulfill its electric service requirements, but in accordance with the specifications herein before referred to. Company shall not be liable to Customer for any interruption to service to Customer's subscribers or for interference with the operation of the cables, wires and appliances of Customer arising in any manner out of the use of Company's poles hereunder.

### 7. FRANCHISES AND EASEMENTS

Customer shall submit to Company evidence, satisfactory to Company, of Customer's authority to erect and maintain Customer's facilities within public streets, highways and other thoroughfares within the above described territory which is to be served and shall secure any necessary consent by way of franchise or other satisfactory license, permit or authority, acceptable to Company from State, County or municipal authorities or from the owners of property where necessary to construct and maintain facilities at the locations of poles of Company which it desires to use. Customer must secure its own easement rights on private property. Customer must, regardless of authority received or franchises given by governmental

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 40.3

Standard Rate

CTAC

## Cable Television Attachment Charges

agencies, conform to all requirements of Terms and Conditions with regard to Company's property. Company's approval of attachments shall not constitute any representation or warranty by Company to Customer regarding Customer's right to occupy or use any public or private right-of-way.

### 8. INSPECTION OF FACILITIES

Company reserves the right to inspect each new installation of Customer on its poles and in the vicinity of its lines or appliances and to make periodic inspections, every two (2) years or more often as plant conditions warrant of the entire plant of Customer. Such inspections, made or not, shall not operate to relieve Customer of any responsibility, obligation or liability.

### 9. PRECAUTIONS TO AVOID FACILITY DAMAGE

Customer shall exercise precautions to avoid damage to facilities of Company and of others supported on said poles; and shall assume all responsibility of any and all loss for such damage caused by it. Customer shall make an immediate report to Company of the occurrence of any damage and shall reimburse Company for the expense incurred in making repairs.

### 10. INDEMNITIES AND INSURANCE

Customer shall defend, indemnify and save harmless Company from any and all damage, loss, claim, demand, suit, liability, penalty or forfeiture of every kind and nature-including but not limited to costs and expenses of defending against the same and payment of any settlement or judgment therefore, by reason of (a) injuries or deaths to persons, (b) damages to or destructions of properties, (c) pollutions, contaminations of or other adverse effects on the environment or (d) violations of governmental laws, regulations or orders whether suffered directly by Company it-self or indirectly by reason of claims, demands or suits against it by third parties, resulting or alleged to have resulted from acts or omissions of Customer, its employees, agents, or other representatives or from their presence on the premises of Company, either solely or in concurrence with any alleged joint negligence of Company.

Customer shall provide and maintain in an Insurance Company(s) authorized to do business in the Commonwealth of Kentucky, the following:

- (a) Insurance protection for Customer employees to the extent required by the Workmen's Compensation Law of Kentucky and, where same is not applicable or if necessary to provide a defense for Company, Employer's Liability Protection (covering both Company and Customer) for Customer employees for no less than \$100,000.00 per employee.
- (b) Public Liability and Business Liability insurance with a minimum limit of \$500,000.00 for each person injured and with a minimum total limit of \$1,000,000.00 for each accident and a minimum limit of \$100,000.00 for property damage for each accident.
- (c) Public Liability and Property Damage insurance on all automotive equipment used by Customer on job to the extent of the amounts for Public Liability and Property Damage insurance set out in the preceding Paragraph (b).
- (d) In the event that work covered by the Agreement includes work to be done in places or areas where the Maritime Laws are in effect, then and in that event additional insurance protection to the limits in Paragraph (b) above for liability arising out of said Maritime Laws.

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 40.4

Standard Rate

CTAC

## Cable Television Attachment Charges

- e) In the event the work covers fixed wing aircraft, rotor lift, lighter than air aircraft or any other form of aircraft, appropriate insurance will be carried affording protection to the limits prescribed in the preceding Paragraph (b).
- f) In the event the work covers blasting, explosives or operations underground, in trenches or other excavations, appropriate insurance will be carried affording protection to the limits prescribed in the preceding Paragraph (b), together with products hazard and completed operations insurance where applicable, affording protection to the limits above prescribed. Customer's liability insurance shall be written to eliminate XCU exclusions. Said insurance is to be kept in force for not less than one year after cancellation of the Agreement.

Before starting work, Customer shall furnish to Company a certificate(s) of insurance satisfactory to Company, evidencing the existence of the insurance required by the above provisions, and this insurance may not be canceled for any cause without sixty (60) days advance written notice being first given Company; provided, that failure of Company to require Customer to furnish any such certificate(s) shall not constitute a waiver by Company of Customer's obligation to maintain insurance as provided herein.

Each policy required hereunder shall contain a contractual endorsement written as follows: "The insurance provided herein shall also be for the benefit of Louisville Gas and Electric Company so as to guarantee, within the policy limits, the performance by the named insured of the indemnity provisions of the Cable Television Attachment Agreement between the named insured and Louisville Gas and Electric Company. This insurance may not be canceled for any cause without sixty (60) days advance written notice being first given to Louisville Gas and Electric Company."

### 11. ATTACHMENT REMOVAL AND NOTICES

Customer may at any time voluntarily remove its attachments from any pole or poles of Company, but shall immediately give Company written notice of such removal on a form to be supplied by Company. No refund of any attachment charge will be due on account of such voluntary removal.

### 12. FORBIDDEN USE OF POLES

Prior to Customer's initial attachment, Company reserves the right due to engineering design requirements to refuse use by Customer of certain or specific poles or structures (such as normal transmission routes). Upon notice from Company to Customer that the use of any pole or poles is forbidden by municipal or other public authorities or by property owners, the permit covering the use of such pole or poles shall immediately terminate and Customer shall remove its facilities from the affected pole or poles at once. No refund of any attachment charge will be due on account of any removal resulting from such forbidden use.

### 13. NON-COMPLIANCE

If Customer shall fail to comply with any of the provisions of these Rules and Regulations or Terms and Conditions or default in any of its obligations under these Rules and Regulations or Terms and Conditions and shall fail within thirty (30) days after written notice from Company to correct such default or non-compliance, Company may, at its option, forthwith terminate the Agreement or the permit covering the poles as to which such default or non-compliance shall have occurred, by giving written notice to Customer of said termination. No refund of any rental will be due on account of such termination.

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 40.5

Standard Rate

**CTAC**  
**Cable Television Attachment Charges**

**14. WAIVERS**

Failure to enforce or insist upon compliance with any of these Rules and Regulations or Terms and Conditions or the Agreement shall not constitute a general waiver or relinquishment thereof, but the same shall be and remain at all times in full force and effect.

**15. USE OF COMPANY'S FACILITIES BY OTHERS**

Nothing herein contained shall be construed as affecting the rights or privileges previously conferred by Company, by contract or otherwise, to others, not parties to the Agreement, to use any poles covered by the Agreement; and Company shall have the right to continue and to extend such rights or privileges. The attachment privileges herein granted shall at all times be subject to such existing contracts and arrangements.

**16. ASSIGNMENT**

Customer shall not assign, transfer or sublet the privileges hereby granted and/or provided in the Agreement without the prior consent in writing of Company.

**17. PROPERTY RIGHTS**

No use, however extended, of Company poles under the Agreement shall create or vest in Customer any ownership or property rights in said poles, but Customer shall be and remain a customer only. Nothing herein contained shall be construed to compel Company to maintain any of said poles for a period longer than demanded by its electric service requirements.

**18. FAILURE TO PROCEED**

Customer agrees to proceed as expeditiously as practical with the work of providing the television cable service to the area described in the Agreement. Within ninety (90) days from the date of the Agreement, Customer shall make progress reasonably satisfactory to Company in the installation of its facilities or shall demonstrate, to the reasonable satisfaction of Company, its ability to proceed expeditiously.

**19. TERMINATION**

Upon termination of the Agreement in accordance with any of its terms, Customer shall immediately remove its cables, wires and appliances from all poles of Company. If not removed, Company shall have the right to remove them at the cost and expense of Customer.

**20. SECURITY**

Customer shall furnish bond for the purposes hereinafter specified as follows:

- (a) during the period of Customer's initial installation of its facilities and at the time of any expansion involving more than seventy-five (75) poles, a bond in the amount of \$2,000 for each 100 poles (or fraction thereof) to which Customer intends to attach its facilities;
- (b) following the satisfactory completion of Customer's initial installation, the amount of bond shall be reduced to \$1,000 for each 100 poles (or fraction thereof);
- (c) after Customer has been a customer of Company pursuant to the Agreement and is not in default thereunder for a period of three years, the bond shall be reduced to \$500 for each 100 poles (or fraction thereof).

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 40.6

Standard Rate

CTAC

## Cable Television Attachment Charges

- (d) such bond shall contain the provision that it shall not be terminated prior to six (6) months after receipt by Company of written notice of the desire of the bonding or insurance company to terminate such bond. This six (6) months' termination clause may be waived by Company if an acceptable replacement bond is received before the six (6) months has ended. Upon receipt of such termination notice, Company shall request Customer to immediately remove its cables, wires and all other facilities from all poles of Company. If Customer should fail to complete the removal of all of its facilities from the poles of Company within thirty (30) days after receipt of such request from Company, then Company shall have the right to remove them at the cost and expense of Customer and without being liable for any damage to Customer's wires, cables, fixtures or appurtenances. Such bond shall guarantee the payment of any sums which may become due to Company for rentals, inspections or work performed for the benefit of Customer under the Agreement, including the removal of attachments upon termination of the Agreement by any of its provisions. T
- e) Company in its sole discretion may agree in writing to accept other collateral (such as a cash deposit or an irrevocable bank letter of credit) in substitution for the bond required by, and subject to the other requirements of, this Section 20. T

### 21. NOTICES

Any notice, or request, required by these Rules and Regulations or Terms and Conditions or the Agreement shall be deemed properly given if mailed, postage pre-paid, to Company, in the case of Company; or in the case of the Customer, to its representative designated in the Agreement. The designation of the person to be notified, and/or his address may be changed by Company or Customer at any time, or from time to time, by similar notice.

### 22. ADJUSTMENTS

Nothing contained herein or in any Agreement shall be construed as affecting in any way the right of Company, and Company shall at all times have the right, to unilaterally file with the Public Service Commission a change in rental charges for attachments to poles, other charges as provided for, any rule, regulation, condition or any other change required. Such change or changes to become effective upon approval of the Commission or applicable regulations or statutes, and shall constitute an amendment to the Agreement.

### 23. BINDING EFFECT

Subject to the provisions of Section 16 hereof, the Agreement and these Rules and Regulations or Terms and Conditions shall extend to and bind the successors and assigns of the parties hereto. T

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 45

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## Standard Rate

## Special Charges

The following charges will be applied uniformly throughout Company's service territory. Each charge, as approved by the Public Service Commission, reflects only that revenue required to cover associated expenses.

### RETURNED PAYMENT CHARGE

In those instances where a customer renders payment to Company which is not honored upon deposit by Company, the Customer will be charged \$10.00 to cover the additional processing costs.

### METER TEST CHARGE

Where the test of a meter is performed during normal working hours upon the written request of a customer, pursuant to 807 KAR 5:006, Section 18, and the results show the meter was not more than two percent fast, the customer will be charged \$75.00 to cover the test and transportation costs. |

### DISCONNECT/RECONNECT SERVICE CHARGE

A charge of \$28.00 will be made to cover disconnection and reconnection of electric service when discontinued for non-payment of bills or for violation of Company's Terms and Conditions, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for restoration of both services shall be \$28.00. No charge will be made for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. R

Residential and general service customers may request and be granted temporary suspension of electric service. In the event of such temporary suspension, Company will make a charge of \$28.00 to cover disconnection and reconnection of electric service, such charge to be made before reconnection is effected. R

### METER PULSE CHARGE

Where a customer desires and Company is willing to provide data meter pulses, a charge of \$15.00 per month per installed set of pulse-generating equipment will be made to those data pulses. Time pulses will not be supplied. |

### METER DATA PROCESSING CHARGE

A charge of \$2.75 per report will be made to cover the cost of processing, generating, and providing recorder metered customer with profile reports. If a customer is not recorder metered and desires to have such metering installed, the customer will pay all costs associated with installing the recorder meter.

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 50

Standard Rate Rider

CSR10  
Curtailed Service Rider 10

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This rider shall be made available to customers served under applicable power schedules who contract for not less than 1,000 kilowatts individually. The aggregate service under P.S.C. No. 9, CSR10 and CSR30 for Louisville Gas and Electric Company is limited to 100 megawatts in addition to the contracted curtailable load under P.S.C. No. 7, CSR1 for Louisville Gas and Electric Company as of August 1, 2010.

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## CONTRACT OPTION

Customer may, at Customer's option, contract with Company to curtail service upon notification by Company. Requests for curtailment shall not exceed three hundred and seventy-five (375) hours per year nor shall any single request for curtailment be for less than thirty (30) minutes or for more than fourteen (14) hours per calendar day, with no more than two (2) requests for curtailment per calendar day within these parameters. A curtailment is a continuous event with a start and stop time that may have both physical curtailments and buy-through options within the interval between the start and stop time. Company may request or cancel a curtailment at any time during any hour of the year, but shall give no less than ten (10) minutes notice when either requesting or canceling a curtailment.

Company may request at its sole discretion up to 100 hours of physical curtailment per year without a buy-through option during system reliability events. For the purposes of this rider, a system reliability event is any condition or occurrence: 1) that impairs KU and LG&E's ability to maintain service to contractually committed system load; 2) where KU and LG&E ability to meet their compliance obligations with NERC reliability standards cannot otherwise be achieved; or 3) that KU and LG&E reasonably anticipate will last more than six hours and could require KU and LG&E to call upon automatic reserve sharing ("ARS") at some point during the event. Company may also request at its sole discretion up to 275 hours of curtailment per year with a buy-through option, whereby Customer may, at its option, choose either to curtail service in accordance with this Rider or to continue to purchase its curtailable requirements by paying the Automatic Buy-Through Price, as set forth below, for all kilowatt hours of curtailable requirements.

Curtailed load and compliance with a request for curtailment shall be measured in one of the following ways:

Option A -- Customer may contract for a given amount of firm demand, as measured on the demand basis of the standard rate on which Customer is billed. During a request for physical curtailment, Customer shall reduce its demand to the firm demand designated in the contract. During a request for curtailment with a buy-through option, the Automatic Buy-Through Price, as applicable, shall apply to the difference in the actual kWh during any requested curtailment and the contracted firm demand multiplied by the time period (hours) of curtailment [Actual kWh – (firm kVA x hours curtailed)]. The measured demand in excess of the firm load during each requested physical curtailment in the billing period shall be the measure of non-compliance, as measured on the demand basis of the standard rate on which Customer is billed.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 50.1

Standard Rate Rider

## CSR10 Curtable Service Rider 10

Option B -- Customer may contract for a given amount of curtable load by which Customer shall agree to reduce its demand at any time by such Designated Curtable Load. During a request for physical curtable, Customer shall reduce its demand to a level equal to the maximum demand (as measured on the demand basis of the standard rate on which Customer is billed) immediately prior to the curtable less the designated curtable load. During a request for curtable with a buy-through option, the Automatic Buy-Through Price shall apply to the difference in the actual kWh during any requested curtable and the product of Customer's maximum load immediately preceding curtable less Customer's designated curtable load designated in the contract multiplied by the time period (hours) of a requested curtable {Actual kWh – [(Max kVA preceding – Designated Curtable kVA) x hours of requested curtable]}. Non-compliance for each requested physical curtable shall be the measured positive value determined by subtracting (i) Customer's designated curtable load from (ii) Customer's maximum demand immediately preceding the curtable and then subtracting such difference from (iii) the Customer's maximum demand during such curtable.

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### RATE

Customer will receive the following credits for curtable service during the month:

Transmission Voltage Service	\$ 5.40 per kVA of Curtable Billing Demand	T
Primary Voltage Service	\$ 5.50 per kVA of Curtable Billing Demand	T
Non-Compliance Charge of:	\$16.00 per kVA	T

Failure of Customer to curtail when requested to do so may result in termination of service under this rider. Customer will be charged for the portion of each requested curtable not met at the applicable standard charges. The Company and Customer may arrange to have installed, at Customer's expense, the necessary telecommunication and control equipment to allow the Company to control Customers' curtable load. Non-compliance charges will be waived if failure to curtail is a result of failure of Company's equipment; however, non-compliance charges will not be waived if failure to curtail is a result of Customer's equipment. If arrangements are made to have telecommunication and control equipment installed, then backup arrangements must also be established in the event either Company's or Customer's equipment fails.

### CURTABLE BILLING DEMAND

For a Customer electing Option A, Curtable Billing Demand shall be the difference between (a) the Customer's measured maximum demand during the billing period for any billing interval during the following time periods: (i) for the summer peak months of May through September, from 10 A.M. to 10 P.M., (EST) and (ii) for the months October continuously through April, from 6 A.M. to 10 P.M., (EST) and (b) the firm contract demand.

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For a Customer electing Option B, Curtable Billing Demand shall be the customer Designated Curtable Load, as described above.

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 50.2

Standard Rate Rider

CSR10  
Curtable Service Rider 10

## AUTOMATIC BUY-THROUGH PRICE

The Automatic Buy-Through Price per kWh shall be determined daily in accordance with the following formula:

$$\text{Automatic Buy-Through Price} = \text{NGP} \times .012000 \text{ MMBtu/kWh}$$

Where: NGP represents the mid-point price for natural gas (\$/MMBtu) posted for the day in *Platts Gas Daily* for Dominion—South Point and will be used for the electrical day from 12 midnight to midnight. Also the posted price for Monday or the day after a holiday is the posted price for Saturday, Sunday and the holiday.

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## TERM OF CONTRACT

The minimum original contract period shall be one (1) year and thereafter until terminated by giving at least six (6) months previous written notice, but Company may require that contract be executed for a longer initial term when deemed reasonably necessary by the size of the load or other conditions.

## TERMS AND CONDITIONS

When the Company requests curtailment, upon request by the Customer, the Company shall provide a good-faith, non-binding estimate of the duration of requested curtailment. In addition, upon request by the Company, the Customer shall provide to the Company a good-faith, non-binding short-term operational schedule for their facility. Upon request by the Customer, the Company will provide, once per month, to the Customer an explanation of the reasons for any request for curtailment.

Except as specified above, all other provisions of the power rate to which this schedule is a rider shall apply.

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**Date of Issue:**

**Date Effective:** January 1, 2013

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 51

Standard Rate Rider

CSR30  
Curtailed Service Rider 30

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This rider shall be made available to customers served under applicable power schedules who contract for not less than 1,000 kilowatts individually. The aggregate service under P.S.C. No. 9, CSR10 and CSR30 for Louisville Gas and Electric Company is limited to 100 megawatts in addition to the contracted curtailable load under P.S.C. No. 7, CSR1 for Louisville Gas and Electric Company as of August 1, 2010.

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## CONTRACT OPTION

Customer may, at Customer's option, contract with Company to curtail service upon notification by Company. Requests for curtailment shall not exceed three hundred and fifty (350) hours per year nor shall any single request for curtailment be for less than thirty (30) minutes or for more than fourteen (14) hours per calendar day, with no more than two (2) requests for curtailment per calendar day within these parameters. A curtailment is a continuous event with a start and stop time that may have both physical curtailments and buy-through options within the interval between the start and stop time. Company may request or cancel a curtailment at any time during any hour of the year, but shall give no less than thirty (30) minutes notice when either requesting or canceling a curtailment.

Company may request at its sole discretion up to 100 hours of physical curtailment per year without a buy-through option during system reliability events. For the purposes of this rider, a system reliability event is any condition or occurrence: 1) that impairs KU and LG&E's ability to maintain service to contractually committed system load; 2) where KU and LG&E's ability to meet their compliance obligations with NERC reliability standards cannot otherwise be achieved; or 3) that KU and LG&E reasonably anticipate will last more than six hours and could require KU and LG&E to call upon automatic reserve sharing ("ARS") at some point during the event. Company may also request at its sole discretion up to 250 hours of curtailment per year with a buy-through option, whereby Customer may, at its option, choose either to curtail service in accordance with this Rider or to continue to purchase its curtailable requirements by paying the Automatic Buy-Through Price, as set forth below, for all kilowatt hours of curtailable requirements.

Curtailed load and compliance with a request for curtailment shall be measured in one of the following ways:

Option A -- Customer may contract for a given amount of firm demand, as measured on the demand basis of the standard rate on which Customer is billed. During a request for physical curtailment, Customer shall reduce its demand to the firm demand designated in the contract. During a request for curtailment with a buy-through option, the Automatic Buy-Through Price, as applicable, shall apply to the difference in the actual kWh during any requested curtailment and the contracted firm demand multiplied by the time period (hours) of curtailment [Actual kWh – (firm kVA x hours curtailed)]. The measured demand in excess of the firm load during each requested physical curtailment in the billing period shall be the measure of non-compliance, as measured on the demand basis of the standard rate on which Customer is billed

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 51.1

Standard Rate Rider

CSR30  
Curtable Service Rider 30

Option B -- Customer may contract for a given amount of curtable load by which Customer shall agree to reduce its demand at any time by such Designated Curtable Load. During a request for physical curtable, Customer shall reduce its demand to a level equal to the maximum demand (as measured on the demand basis of the standard rate on which Customer is billed) immediately prior to the curtable less the designated curtable load. During a request for curtable with a buy-through option, the Automatic Buy-Through Price shall apply to the difference in the actual kWh during any requested curtable and the product of Customer's maximum load immediately preceding curtable less Customer's designated curtable load designated in the contract multiplied by the time period (hours) of a requested curtable {Actual kWh – [(Max kVA preceding – Designated Curtable kVA) x hours of requested curtable]}. Non-compliance for each requested physical curtable shall be the measured positive value determined by subtracting (i) Customer's designated curtable load from (ii) Customer's maximum demand immediately preceding the curtable and then subtracting such difference from (iii) the Customer's maximum demand during such curtable.

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## RATE

Customer will receive the following credits for curtable service during the month:

Transmission Voltage Service	\$ 4.30 per kVA of Curtable Billing Demand	T
Primary Voltage Service	\$ 4.40 per kVA of Curtable Billing Demand	T
Non-Compliance Charge of:	\$16.00 per kVA	T

Failure of Customer to curtail when requested to do so may result in termination of service under this rider. Customer will be charged for the portion of each requested curtable not met at the applicable standard charges. The Company and Customer may arrange to have installed, at Customer's expense, the necessary telecommunication and control equipment to allow the Company to control Customers' curtable load. Non-compliance charges will be waived if failure to curtail is a result of failure of Company's equipment; however, non-compliance charges will not be waived if failure to curtail is a result of Customer's equipment. If arrangements are made to have telecommunication and control equipment installed, then backup arrangements must also be established in the event either Company's or Customer's equipment fails.

## CURTABLE BILLING DEMAND

For a Customer electing Option A, Curtable Billing Demand shall be the difference between (a) the Customer's measured maximum demand during the billing period for any billing interval during the following time periods: (i) for the summer peak months of May through September, from 10 A.M. to 10 P.M. (EST) and (ii) for the months October continuously through April, from 6 A.M. to 10 P.M. (EST) and (b) the firm contract demand.

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 51.2

Standard Rate Rider

CSR30  
Curtable Service Rider 30

## **AUTOMATIC BUY-THROUGH PRICE**

The Automatic Buy-Through Price per kWh shall be determined daily in accordance with the following formula:

$$\text{Automatic Buy-Through Price} = \text{NGP} \times .012000 \text{ MMBtu/kWh}$$

Where: NGP represents the mid-point price for natural gas (\$/MMBtu) posted for the day in *Platts Gas Daily* for Dominion—South Point and will be used for the electrical day from 12 midnight to midnight. Also the posted price for Monday or the day after a holiday is the posted price for Saturday, Sunday and the holiday.

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## **TERM OF CONTRACT**

The minimum original contract period shall be one (1) year and thereafter until terminated by giving at least six (6) months previous written notice, but Company may require that contract be executed for a longer initial term when deemed reasonably necessary by the size of the load or other conditions.

## **TERMS AND CONDITIONS**

When the Company requests curtailment, upon request by the Customer, the Company shall provide a good-faith, non-binding estimate of the duration of requested curtailment. In addition, upon request by the Company, the Customer shall provide to the Company a good-faith, non-binding short-term operational schedule for their facility. Upon request by the Customer, the Company will provide, once per month, to the Customer an explanation of the reasons for any request for curtailment.

Except as specified above, all other provisions of the power rate to which this schedule is a rider shall apply.

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 55

Standard Rate Rider

SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

## APPLICABLE:

In all territory served.

## AVAILABILITY OF SERVICE

This rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy only from the owner of qualifying cogeneration or small power production facilities of 100 kW or less (such owner being hereafter called "Seller") installed on Seller's property to provide all or part of its requirements of electrical energy, or from which facilities Seller may elect to sell to Company all or part of such output of electrical energy.

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Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under Parallel Operation.

Company will purchase such energy from Seller at the Rate, A or B, set out below and selected as hereafter provided, and under the terms and conditions stated herein. Company reserves the right to change the said Rates, upon proper filing with and acceptance by the jurisdictional Commission.

## RATE A: TIME-DIFFERENTIATED RATE

1. For summer billing months of June, July, August and September, during the hours 9:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), \$0.04538 per kWh.
2. For winter billing months of December, January and February, during the hours 7:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), \$0.04023 per kWh.
3. During all other hours (off-peak hours) \$0.03139 per kWh.

Determination of On-Peak and Off-Peak Hours: On-peak hours are defined as the hours of 9:01 A.M. through 10:00 P.M., E.D.T. (8:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 1 above), and the hours of 7:01 A.M. through 10:00 P.M., E.D.T. (6:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 2 above). Off-peak hours are defined as all hours other than those listed as on-peak (under 3 above). Company reserves the right to change the hours designated as on-peak from time to time as conditions indicate to be appropriate.

## RATE B: NON-TIME-DIFFERENTIATED RATE

For all kWh purchased by Company, \$0.03418 per kWh

Date of Issue:

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 55.1

Standard Rate Rider

SQF

Small Capacity Cogeneration and Small Power Production Qualifying Facilities

## SELECTION OF RATE AND METERING

Subject to provisions hereafter in this Section relative to payment of costs of metering equipment, either Seller or Company may select Rate A, the Time-Differentiated Rate, for application to Company's said purchases of energy from Seller. If neither Seller nor Company selects Rate A, then Rate B, the Non-Time-Differentiated Rate, shall apply.

If neither Seller nor Company selects Rate A, and Rate B therefore is to apply to such purchases, Company, at Seller's cost, will install, own and operate a non-time-differentiated meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system. Such meter will be tested at intervals prescribed by Commission Regulation, with Seller having a right to witness all such tests; and Seller will pay to Company its fixed cost on such meter and equipment, expense of such periodic tests of the meter and any other expenses (all such costs and expenses, together, being hereafter called "costs of non-time-differentiated metering").

If either Seller or Company selects Rate A to apply to Company's said purchases of energy from Seller, the party (Seller or Company) so selecting Rate A shall pay (a) the cost of a time-differentiated recording meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system, required for the application of Rate A, in excess of (b) the costs of non-time-differentiated metering which shall continue to be paid by Seller.

In addition to metering referred to above, Company at its option and cost may install, own and operate, on Seller's generator, a recording meter to record the capacity, energy and reactive output of such generator at specified time intervals.

Company shall have access to all such meters at reasonable times during Seller's normal business hours, and shall regularly provide to Seller copies of all information provided by such meters.

## PAYMENT

Any payment due from Company to Seller will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from date of Company's reading of meter; provided, however, that, if Seller is a customer of Company, in lieu of such payment Company may offset its payment due to Seller hereunder, against Seller's next bill and payment due to Company for Company's service to Seller as customer.

## PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 55.2

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## Standard Rate Rider

## SQF

### Small Capacity Cogeneration and Small Power Production Qualifying Facilities

1. Prior to installation in Seller's system of any generator and associated facilities which are intended to be interconnected and operated in parallel with Company's system, or prior to the inter-connection to Company's system of any such generator and associated facilities already installed in Seller's system, Seller will provide to Company plans for such generator and facilities. Company may, but shall have no obligation to, examine such plans and disapprove them in whole or in part, to the extent Company believes that such plans and proposed facilities will not adequately assure the safety of Company's facilities or system. Seller acknowledges and agrees that the sole purpose of any Company examination of such plans is the satisfaction of Company's interest in the safety of Company's own facilities and system, and that Company shall have no responsibility of any kind to Seller or to any other party in connection with any such examination. If Seller thereafter proposes any change from such plans submitted to Company, prior to the implementation thereof Seller will provide to Company new plans setting out such proposed change(s).
2. Seller will own, install, operate and maintain all generating facilities on its plant site, such facilities to include, but not be limited to, (a) protective equipment between the systems of Seller and Company and (b) necessary control equipment to synchronize frequency and voltage between such two systems. Seller's voltage at the point of interconnection will be the same as Company's system voltage. Suitable circuit breakers or similar equipment, as specified by Company, will be furnished by Seller at a location designated by Company to enable the separation or disconnection of the two electrical systems. Except in emergencies, the circuit breakers, or similar equipment, will be operated only by, or at the express direction of, Company personnel and will be accessible to Company at all times. In addition, a circuit breaker or similar equipment shall be furnished and installed by Seller to separate or disconnect Seller's generator.
3. Seller will be responsible for operating the generator and all facilities owned by Seller, except as hereafter specified. Seller will maintain its system in synchronization with Company's system.
4. Seller will (a) pay Company for all damage to Company's equipment, facilities or system, and (b) save and hold Company harmless from all claims, demands and liabilities of every kind and nature for injury or damage to, or death of, persons and/or property of others, including costs and expenses of defending against the same, arising in any manner in connection with Seller's generator, equipment, facilities or system or the operation thereof.
5. Seller will construct any additional facilities, in addition to generating and associated (interface) facilities, required for interconnection unless Company and Seller agree to Company's constructing such facilities, at Seller's expense, where Seller is not a customer of Company. When Seller is a customer of Company and Company is required to construct facilities different than otherwise required to permit interconnection, Seller shall pay such additional cost of facilities. Seller agrees to reimburse Company, at the time of installation, or, if agreed to by both parties, over a period of up to three (3) years, for any facilities including any hereafter required (but exclusive of metering equipment, elsewhere herein provided for) constructed by Company to permit Seller to operate interconnected with Company's system. When interconnection costs are repaid over a period of time, such payments will be made monthly and include interest on the unpaid balance at the percentage rate equal to the capital costs that Company would experience at such time by

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**Date of Issue:**

**Date Effective:** April 17, 1999

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 55.3

Standard Rate Rider

SQF

## Small Capacity Cogeneration and Small Power Production Qualifying Facilities

new financing, based on Company's then existing capital structure, with return on equity to be at the rate allowed in Company's immediately preceding rate case.

6. Company will have the continuing right to inspect and approve Seller's facilities, described herein, and to request and witness any tests necessary to determine that such facilities are installed and operating properly; but Company will have no obligation to inspect or approve facilities, or to request or witness tests; and Company will not in any manner be responsible for Seller's facilities or any operation thereof.
7. Seller assumes all responsibility for the electric service upon Seller's premises at and from the point of any delivery or flow of electricity from Company, and for the wires and equipment used in connection therewith; and Seller will protect and save Company harmless from all claims for injury or damage to persons or property, including but not limited to property of Seller, occurring on or about Seller's premises or at and from the point of delivery or flow of electricity from Company, occasioned by such electricity or said wires and equipment, except where said injury or damage is proved to have been caused solely by the negligence of Company.
8. Each, Seller and Company, will designate one or more Operating Representatives for the purpose of contacts and communications between the parties concerning operations of the two systems.
9. Seller will notify Company's Energy Control Center prior to each occasion of Seller's generator being brought into or (except in cases of emergencies) taken out of operation.
10. Company reserves the right to curtail a purchase from Seller when:
  - (a) the purchase will result in costs to Company greater than would occur if the purchase were not made but instead Company, itself, generated an equivalent amount of energy; or
  - (b) Company has a system emergency and purchases would (or could) contribute to such emergency.

Seller will be notified of each curtailment.

### TERMS AND CONDITIONS

Except as provided herein, conditions or operations will be as provided in Company's Terms and Conditions.

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**Date of Issue:**

**Date Effective:** April 17, 1999

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 56

Standard Rate Rider

LQF

Large Capacity Cogeneration and Small Power Production Qualifying Facilities

## AVAILABILITY

In all territory served.

## APPLICABILITY OF SERVICE

Applicable to any small power production or cogeneration "qualifying facility" with capacity over 100 kW as defined by the Kentucky Public Service Commission Regulation 807 KAR 5:054, and which contracts to sell energy or capacity or both to Company.

## RATES FOR PURCHASES FROM QUALIFYING FACILITIES

### Energy Component Payments

The hourly avoided energy cost (AEC) in \$ per MWh, which is payable to a QF for delivery of energy, shall be equal to Company's actual variable fuel expenses, for Company-owned coal and natural gas-fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to  $[AEC \times E_{QF}]$ , where  $E_{QF}$  is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering.

### Capacity Component Payments

The hourly avoided capacity cost (ACC) in \$ per MWh, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to Company from the inter-utility market (which includes both energy and capacity charges) less Company's actual variable fuel expense (AEC). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to  $[ACC \times CAP_i]$ , where  $CAP_i$ , the capacity delivered by the QF, is determined on the basis of the system demand ( $D_i$ ) and Company's need for capacity in that hour to adequately serve the load.

### Determination of $CAP_i$

For the following determination of  $CAP_i$ ,  $C_{LG\&E}$  represents Company's installed or previously arranged capacity at the time a QF signs a contract to deliver capacity;  $C_{QF}$  represents the actual capacity provided by a QF, but no more than the contracted capacity; and  $C_M$  represents capacity purchased from the inter-utility market.

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Date of Issue:

Date Effective: November 1, 1995

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 56.1

## Standard Rate Rider

## LQF

### Large Capacity Cogeneration and Small Power Production Qualifying Facilities

1. System demand is less than or equal to Company's capacity:  
 $D_i \leq C_{LG\&E}$ ;  $CAP_i = 0$
2. System demand is greater than Company's capacity but less than or equal to the total of Company's capacity and the capacity provided by a QF:  
 $C_{LG\&E} < D_i \leq [C_{LG\&E} + C_{QF}]$ ;  $CAP_i = C_M$
3. System demand is greater than the total of Company's capacity and the capacity provided by a QF:  
 $D_i > [C_{LG\&E} + C_{QF}]$ ;  $CAP_i = C_{QF}$

### PAYMENT

Company shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within sixteen (16) business days (no less than twenty-two (22) calendar days) of the date the bill is rendered. In lieu of such payment plan, Company will, upon written request, credit the Customer's account for such purchases.

### TERM OF CONTRACT

For contracts which cover the purchase of energy only, the term shall be one (1) year, and shall be self-renewing from year-to-year thereafter, unless canceled by either party on one (1) year's written notice.

For contracts which cover the purchase of capacity and energy, the term shall be five (5) years.

### TERMS AND CONDITIONS

1. Qualifying facilities shall be required to pay for any additional interconnection costs, to the extent that such costs are in excess of those that Company would have incurred if the qualifying facility's output had not been purchased.
2. A qualifying facility operating in parallel with Company must demonstrate that its equipment is designed, installed, and operated in a manner that insures safe and reliable interconnected operation. A qualifying facility should contact Company for assistance in this regard.
3. The purchasing, supplying and billing for service, and all conditions applying hereto, shall be specified in the contract executed by the parties, and are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Terms and Conditions currently in effect, as filed with the Commission.

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**Date of Issue:**

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 57

Standard Rate Rider

## NMS Net Metering Service

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Available to any customer-generator who owns and operates a generating facility located on Customer's premises that generates electricity using solar, wind, biomass or biogas, or hydro energy in parallel with Company's electric distribution system to provide all or part of Customer's electrical requirements, and who executes Company's written Application for Interconnection and Net Metering. The generation facility shall be limited to a maximum rated capacity of 30 kilowatts. This Standard Rate Rider is intended to comply with all provisions of the Interconnection and Net Metering Guidelines approved by the Public Service Commission of Kentucky, which can be found on-line at [www.psc.ky.gov](http://www.psc.ky.gov) as Appendix A to the January 8, 2009 Order in Administrative Case No. 2008-00169.

### METERING AND BILLING

Net metering service shall be measured using a single meter or, as determined by Company, additional meters and shall be measured in accordance with standard metering practices by metering equipment capable of registering power flow in both directions for each time period defined by the applicable rate schedule. This net metering equipment shall be provided without any cost to the Customer. This provision does not relieve Customer's responsibility to pay metering costs embedded in the Company's Commission-approved base rates. Additional meters, requested by Customer, will be provided at Customer's expense.

If electricity generated by Customer and fed back to Company's system exceeds the electricity supplied to Customer from the system during a billing period, Customer shall receive a credit for the net delivery on Customer's bill for the succeeding billing periods. Any such unused excess credits will be carried forward and drawn on by Customer as needed. Unused excess credits existing at the time Customer's service is terminated end with Customer's account and are not transferrable between customers or locations.

### NET METERING SERVICE INTERCONNECTION GUIDELINES

General – Customer shall operate the generating facility in parallel with Company's system under the following conditions and any other conditions required by Company where unusual circumstances arise not covered herein:

1. Customer to own, operate, and maintain all generating facilities on their premises. Such facilities shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc., between Customer's and Company's system as well as adequate protective equipment between the two systems. Customer's voltage at the point of interconnection will be the same as Company's system voltage.
2. Customer will be responsible for operating all generating facilities owned by Customer, except as specified hereinafter. Customer will maintain its system in synchronization with Company's system.
3. Customer will be responsible for any damage done to Company's equipment due to failure of Customer's control, safety, or other equipment.
4. Customer agrees to inform Company of any changes it wishes to make to its generating or associated facilities that differ from those initially installed and described to Company in writing and obtain prior approval from Company.
5. Company will have the right to inspect and approve Customer's facilities described herein, and to conduct any tests necessary to determine that such facilities are installed and

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 57.1

Standard Rate Rider

**NMS**  
**Net Metering Service**

## **NET METERING SERVICE INTERCONNECTION GUIDELINES (continued)**

operating properly; however, Company will have no obligation to inspect, witness tests, or in any manner be responsible for Customer's facilities or operation thereof.

6. Customer assumes all responsibility for the electric service on Customer's premises at and from the point of delivery of electricity from Company and for the wires and equipment used in connection therewith, and will protect and save Company harmless from all claims for injury or damage to persons or property occurring on Customer's premises or at and from the point of delivery of electricity from Company, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence or willful misconduct of Company.

Level 1 – A Level 1 installation is defined as an inverter-based generator certified as meeting the requirements of Underwriters Laboratories Standard 1741 and meeting the following conditions:

1. The aggregated net metering generation on a radial distribution circuit will not exceed 15% of the line section's most recent one hour peak load. A line section is the smallest part of the primary distribution system the generating facility could remain connected to after operation of any sectionalizing devices.
2. The aggregated net metering generation on a shared singled-phase secondary will not exceed 20 kVA or the nameplate rating of the service transformer.
3. A single-phase net metering generator interconnected on the center tap neutral of a 240 volt service shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.
4. A net metering generator interconnected to Company's three-phase, three-wire primary distribution lines, shall appear as a phase-to-phase connection to Company's primary distribution line.
5. A net metering generator interconnected to Company's three-phase, four-wire primary distribution lines, shall appear as an effectively grounded source to Company's primary distribution line.
6. A net metering generator will not be connected to an area or spot network.
7. There are no identified violations of the applicable provisions of IEEE 1547, "Standard for Interconnecting Distributed Resources with Electric Power Systems".
8. Company will not be required to construct any facilities on its own system to accommodate the net metering generator.

Customer desiring a Level 1 interconnection shall submit a "LEVEL 1 - Application for Interconnection and Net Metering." Company shall notify Customer within 20 business days as to whether the request is approved or, if denied, the reason(s) for denial. If additional information is required, the Company will notify Customer, and the time between notification and submission of the information shall not be counted towards the 20 business days. Approval is contingent upon an initial inspection and witness test at the discretion of Company.

Level 2 – A Level 2 installation is defined as generator that is not inverter-based; that uses equipment not certified as meeting the requirements of Underwriters Laboratories Standard 1741; or that does not meet one or more of the conditions required of a Level 1 net metering generator. A Level 2 Application will be approved if the generating facility meets the Company's technical interconnection requirements. Those requirements are available on line at [www.lge-ku.com](http://www.lge-ku.com) and upon request.

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 57.2

Standard Rate Rider

NMS  
Net Metering Service

## NET METERING SERVICE INTERCONNECTION GUIDELINES (continued)

Customer desiring a Level 2 interconnection shall submit a "LEVEL 2 - Application for Interconnection and Net Metering." Company shall notify Customer within 30 business days as to whether the request is approved or, if denied, the reason(s) for denial. If additional information is required, the Company will notify Customer, and the time between notification and submission of the information shall not be counted towards the 30 business days. Approval is contingent upon an initial inspection and witness test at the discretion of Company.

Customer submitting a "Level 2 - Application for Interconnection and Net Metering" will provide a non-refundable inspection and processing fee of \$100, and in the event that the Company determines an impact study to be necessary, shall be responsible for any reasonable costs of up to \$1,000 of documented costs for the initial impact study.

Additional studies requested by Customer shall be at Customer's expense.

## CONDITIONS OF INTERCONNECTION

Customer may operate his net metering generator in parallel with Company's system when complying with the following conditions:

1. Customer shall install, operate, and maintain, at Customer's sole cost and expense, any control, protective, or other equipment on Customer's system required by Company's technical interconnection requirements based on IEEE 1547, NEC, accredited testing laboratories, and the manufacturer's suggested practices for safe, efficient and reliable operation of the net metering generating facility in parallel with Company's system. Customer bears full responsibility for the installation, maintenance and safe operation of the net metering generating facility. Upon reasonable request from Company, Customer shall demonstrate compliance.
2. Customer shall represent and warrant compliance of the net metering generator with:
  - a) any applicable safety and power standards established by IEEE and accredited testing laboratories;
  - b) NEC, as may be revised from time-to-time;
  - c) Company's rules and regulations and Terms and Conditions, as may be revised by time-to-time by the Public Service Commission of Kentucky;
  - d) the rules and regulations of the Public Service Commission of Kentucky, as may be revised by time-to-time by the Public Service Commission of Kentucky;
  - e) all other local, state, and federal codes and laws, as may be in effect from time-to-time.
3. Any changes or additions to Company's system required to accommodate the net metering generator shall be Customer's financial responsibility and Company shall be reimbursed for such changes or additions prior to construction.
4. Customer shall operate the net metering generator in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Company's electric system. Customer shall so operate the generating facility in such a manner that no adverse impacts will be produced thereby to the service quality rendered by Company to any of its other customers or to any electric system interconnected with Company's electric system.
5. Customer shall be responsible for protecting, at Customer's sole cost and expense, the net metering generating facility from any condition or disturbance on Company's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges, except that the Company shall be responsible for repair of damage caused to the net metering

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## CONDITIONS OF INTERCONNECTION (continued)

- generator resulting solely from the negligence or willful misconduct on the part of the Company.
6. Following the initial testing and inspection of the generating facility and upon reasonable advance notice to Customer, Company shall have access at reasonable times to the generating facility to perform reasonable on-site inspections to verify that the installation, maintenance and operation of the net metering generator comply with the requirements of this rate schedule.
  7. Where required by the Company, Customer shall furnish and install on Customer's side of the point of interconnection a safety disconnect switch which shall be capable of fully disconnecting Customer's net metering generator from Company's electric service under the full rated conditions of Customer's net metering generator. The external disconnect switch (EDS) shall be located adjacent to Company's meters or the location of the EDS shall be noted by placing a sticker on the meter, and shall be of the visible break type in a metal enclosure which can be secured by a padlock. If the EDS is not located directly adjacent to the meter, Customer shall be responsible for ensuring the location of the EDS is properly and legibly identified for so long as the net metering generator is operational. The disconnect switch shall be accessible to Company personnel at all times. Company may waive the requirement for an external disconnect switch for a net metering generator at its sole discretion, and on a case by case basis.
  8. Company shall have the right and authority at Company's sole discretion to isolate the generating facility or require the Customer to discontinue operation of the net metering generator if Company believes that:
    - a) continued interconnection and parallel operation of the net metering generator with Company's electric system creates or contributes (or may create or contribute) to a system emergency on either Company's or Customer's electric system;
    - b) the net metering generator is not in compliance with the requirements of this rate schedule, and the non-compliance adversely affects the safety, reliability or power quality of Company's electric system; or
    - c) the net metering generator interferes with the operation of Company's electric system.In non-emergency situations, Company shall give Customer notice of noncompliance including a description of the specific noncompliance condition and allow Customer a reasonable time to cure the noncompliance prior to isolating the Generating Facilities. In emergency situations, where the Company is unable to immediately isolate or cause Customer to isolate only the net metering generator, Company may isolate Customer's entire facility.
  9. Customer agrees that, without the prior written permission from Company, no changes shall be made to the generating facility as initially approved. Increases in net metering generator capacity will require a new "Application for Interconnection and Net Metering" which will be evaluated on the same basis as any other new application. Repair and replacement of existing generating facility components with like components that meet UL 1741 certification requirements for Level 1 facilities and not resulting in increases in net metering generator capacity is allowed without approval.
  10. Customer shall protect, indemnify and hold harmless Company and its directors, officers, employees, agents, representatives and contractors against and from all loss, claims, actions or suits, including costs and attorneys fees, for or on account of any injury or death of persons or damage to property caused by Customer or Customer's employees, agents, representatives and contractors in tampering with, repairing, maintaining or operating

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 57.4

Standard Rate Rider

## NMS Net Metering Service

### CONDITIONS OF INTERCONNECTION (continued)

Customer's net metering generator or any related equipment or any facilities owned by Company, except where such injury, death or damage was caused or contributed to by the fault or negligence of Company or its employees, agents, representatives or contractors.

The liability of Company to Customer for injury to person and property shall be governed by the tariff(s) for the class of service under which Customer is taking service.

11. Customer shall maintain general liability insurance coverage (through a standard homeowner's, commercial or other policy) for generating facilities. Customer shall upon request provide Company with proof of such insurance at the time that application is made for net metering.
12. By entering into an Interconnection Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, Company does not give any warranty, express or implied, as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics, of the generating facility equipment, controls, and protective relays and equipment.
13. Customer's generating facility is transferable to other persons or service locations only after notification to the Company has been made and verification that the installation is in compliance with this tariff. Upon written notification that an approved generating facility is being transferred to another person, customer, or location, the Company will verify that the installation is in compliance with this tariff and provide written notification to the customer(s) within 20 business days. If the installation is no longer in compliance with this tariff, the Company will notify Customer in writing and list what must be done to place the facility in compliance.
14. Customer shall retain any and all Renewable Energy Credits (RECs) generated by Customer's generating facilities.

### DEFINITIONS

"Billing period" shall be the time period between the dates on which Company issues the customer's bills.

"Billing Period Credit" shall be the electricity generated by the customer that flows into the electric system and which exceeds the electricity supplied to the customer from the electric system during any billing period.

### TERMS AND CONDITIONS

Except as provided herein, service will be furnished under Company's Terms and Conditions applicable hereto.

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**Date of Issue:**

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 57.5

Standard Rate Rider

**NMS**  
**Net Metering Service**

## LEVEL 1

### Application for Interconnection and Net Metering

Use this application form only for a generating facility that is inverter based and certified by a nationally recognized testing laboratory to meet the requirements of UL 1741.

Submit this Application to:

Louisville Gas and Electric Company, Attn: Customer Commitment,  
P. O. Box 32010, Louisville, KY 40232

If you have questions regarding this Application or its status, contact LG&E at:

502-627-2202 or customer.commitment@lge-ku.com

Customer Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Customer Address: \_\_\_\_\_

Customer Phone No.: \_\_\_\_\_ Customer E-mail Address: \_\_\_\_\_

Project Contact Person: \_\_\_\_\_

Phone No.: \_\_\_\_\_ E-mail Address (Optional): \_\_\_\_\_

Provide names and contact information for other contractors, installers, or engineering firms involved in the design and installation of the generating facilities:

Energy Source:  Solar  Wind  Hydro  Biogas  Biomass

Inverter Manufacturer and Model #: \_\_\_\_\_

Inverter Power Rating: \_\_\_\_\_ Inverter Voltage Rating: \_\_\_\_\_

Power Rating of Energy Source (i.e., solar panels, wind turbine): \_\_\_\_\_

Is Battery Storage Used:  No  Yes If Yes, Battery Power Rating: \_\_\_\_\_

Attach documentation showing that inverter is certified by a nationally recognized testing laboratory to meet the requirements of UL 1741.

Attach site drawing or sketch showing location of Utility's meter, energy source, (*optional: Utility accessible disconnect switch*) and inverter.

Attach single line drawing showing all electrical equipment from the Utility's metering location to the energy source including switches, fuses, breakers, panels, transformers, inverters, energy source, wire size, equipment ratings, and transformer connections.

Expected Start-up Date: \_\_\_\_\_

**Date of Issue:**

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 57.6

Standard Rate Rider

**NMS**  
**Net Metering Service**

## LEVEL 2

### Application for Interconnection and Net Metering

*Use this application form when a generating facility is not inverter-based or is not certified by a nationally recognized testing laboratory to meet the requirements of UL 1741 or does not meet any of the additional conditions under Level 1.*

Submit this Application, along with an application fee of \$100, to:

Louisville Gas and Electric Company, Attn: Customer Commitment,  
P. O. Box 32010, Louisville, KY 40232

If you have questions regarding this Application or its status, contact LG&E at:

502-627-2202 or customer.commitment@lge-ku.com

Customer Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Customer Address: \_\_\_\_\_

Project Contact Person: \_\_\_\_\_

Phone No.: \_\_\_\_\_ E-mail Address (Optional): \_\_\_\_\_

Provide names and contact information for other contractors, installers, or engineering firms involved in the design and installation of the generating facilities:

\_\_\_\_\_

Total Generating Capacity of Generating Facility: \_\_\_\_\_

Type of Generator:  Inverter-Based  Synchronous  Induction

Power Source:  Solar  Wind  Hydro  Biogas  Biomass

Adequate documentation and information must be submitted with this application to be considered complete. Typically this should include the following:

1. Single-line diagram of the customer's system showing all electrical equipment from the generator to the point of interconnection with the Utility's distribution system, including generators, transformers, switchgear, switches, breakers, fuses, voltage transformers, current transformers, wire sizes, equipment ratings, and transformer connections.
2. Control drawings for relays and breakers.
3. Site Plans showing the physical location of major equipment.
4. Relevant ratings of equipment. Transformer information should include capacity ratings, voltage ratings, winding arrangements, and impedance.
5. If protective relays are used, settings applicable to the interconnection protection. If programmable relays are used, a description of how the relay is programmed to operate as applicable to interconnection protection.
6. A description of how the generator system will be operated including all modes of operation.
7. For inverters, the manufacturer name, model number, and AC power rating. For certified inverters, attach documentation showing that inverter is certified by a nationally recognized testing laboratory to meet the requirements of UL 1741.
8. For synchronous generators, manufacturer and model number, nameplate ratings, and impedance data (Xd, Xd, & Xd).
9. For induction generators, manufacturer and model number, nameplate ratings, and locked rotor current.

Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 60

Standard Rate Rider

EF  
Excess Facilities

## APPLICABILITY

In all territory served.

## AVAILABILITY OF SERVICE

This rider is available for non-standard service facilities which are considered to be in excess of the standard facilities that would normally be provided by Company. This rider does not apply to line extensions or to other facilities which are necessary to provide basic electric service. Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term.

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## DEFINITION OF EXCESS FACILITIES

Excess facilities are lines and equipment which are installed in addition to or in substitution for the normal facilities required to render basic electric service and where such facilities are dedicated to a specific customer. Applications of excess facilities include, but are not limited to, emergency backup feeds, automatic transfer switches, redundant transformer capacity, and duplicate or check meters.

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## EXCESS FACILITIES CHARGE

Company shall provide normal operation and maintenance of the excess facilities. Should the facilities suffer failure, Company will provide for replacement of such facilities and the monthly charge will be adjusted to reflect the installed cost of the replacement facilities. No adjustment in the monthly charge for a replacement of facilities will be made during the initial five (5) year term of contract.

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Customer shall pay for excess facilities by:

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- (a) making a monthly Excess Facilities Charge payment equal to the installed cost of the excess facilities times the following percentage:

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Percentage With No Contribution-in-Aid-of-Construction 1.32%

T/R

- (b) making a one-time Contribution-in-Aid-of-Construction equal to the installed cost of the excess facilities plus a monthly Excess Facilities charge payment equal to the installed cost of the excess facilities times the following percentage:

T  
T  
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Percentage with Contribution-in-Aid-of-Construction 0.54%

T/R

## PAYMENT

The Excess Facilities Charges shall be incorporated with the bill for electric service and will be subject to the same payment provisions.

## TERM OF CONTRACT

The initial term of contract to the customer under this schedule shall be not less than five (5) years. The term shall continue automatically until terminated by either party upon at least one (1) month's written notice.

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 61

Standard Rate Rider

RC  
Redundant Capacity

## APPLICABLE

This rate is applicable to customers served under Company's rate schedules which include a demand charge or a special contract including a demand charge.

## AVAILABILITY

Available to customers requesting the reservation of capacity on Company's facilities which are shared by other customers when Company has, and is willing, to reserve such capacity. Such facilities represent a redundant delivery to provide electric service to Customer's facility in the event that an emergency or unusual occurrence renders Customer's principal delivery unavailable for providing service. Where Customer desires to split a load between multiple meters on multiple feeds and contract for Redundant Capacity on those feeds, service is contingent on the practicality of metering to measure any transferred load to the redundant feed.

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## RATE:

### Capacity Reservation Charge

Secondary Distribution

\$1.17 per kW/kVA per Month

R/T

Primary Distribution

\$0.83 per kW/kVA per Month

R/T

Applicable to the greater of:

- (1) the highest average load in kW/kVA (as is appropriate for the demand basis of the standard rate on which Customer is billed) recorded at either the principal distribution feed metering point or at the redundant distribution feed metering point during any 15-minute interval in the monthly billing period,
- (2) 50% of the maximum demand similarly determined for any of the eleven (11) preceding months, or
- (3) the contracted capacity reservation.

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## TERM OF CONTRACT

The minimum contract term shall be five (5) years, and shall be renewed for one (1) year periods until either party provides the other with ninety (90) days written notice of a desire to terminate the arrangement. Company may require that a contract be executed for a longer initial term when deemed necessary by the difficulty and/or high cost associated with providing the redundant feed or other special conditions.

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 62

Standard Rate Rider

SS

Supplemental or Standby Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This service is available as a rider to customers whose premises or equipment are regularly supplied with electric energy from generating facilities other than those of Company and who desire to contract with Company for reserve, breakdown, supplemental or standby service.

Where a customer-generator supplies all or part of the customer-generator's own load and desires Company to provide supplemental or standby service for that load, the customer-generator must contract for such service under Company's Supplemental or Standby Service Rider, otherwise Company has no obligation to supply the non-firm service. This requirement does not apply to Net Metering Service (Rider NMS).

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## RATE

	Secondary	Primary	Transmission
Contract Demand per kW/kVA per Month:	\$12.86	\$12.23	\$11.04

T/I

## CONTRACT DEMAND

Contract Demand is defined as the number of kW/kVA (as is appropriate for the demand basis of the standard rate on which Customer is billed) mutually agreed upon as representing Customer's maximum service requirements and contracted for by Customer; provided, however, if such number of kW/kVA (as is appropriate for the demand basis of the standard rate on which Customer is billed) is exceeded by a recorded demand, such recorded demand shall become the new contract demand commencing with the month in which recorded and continuing for the remaining term of the contract or until superseded by a higher recorded demand.

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## MINIMUM CHARGE

Electric service actually used each month will be charged for in accordance with the provisions of the applicable rate schedule; provided, however, the minimum billing under that rate schedule shall in no case be less than an amount calculated at the appropriate rate above applied to the Contract Demand.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## SPECIAL TERMS AND CONDITIONS

- 1) In order to protect its equipment from overload damage, Company may require customer to install at Customer's own expense an approved shunt trip type breaker and an approved automatic pole-mounted disconnect. Such circuit breakers shall be under the sole control of Company and will be set by Company to break the connection with its service in the event Customer's demand materially exceeds that for which Customer contracted.

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Date of Issue:

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 62.1

Standard Rate Rider

**SS**  
**Supplemental or Standby Service**

**SPECIAL TERMS AND CONDITIONS** (continued)

- 2) In the event Customer's use of service is intermittent or subject to violent fluctuations, Company will require Customer to install and maintain at Customer's own expense suitable equipment to satisfactorily limit such intermittence or fluctuations.
- 3) Customer's generating equipment shall not be operated in parallel with Company's service until the manner of such operation has been approved by Company and is in compliance with Company's operating standards for system reliability and safety.

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**TERM OF CONTRACT**

The minimum contract period shall be one (1) year, but Company may require that a contract be executed for a longer initial term when deemed necessary by the size of load or special conditions.

**TERMS AND CONDITIONS**

Service will be furnished under Company's Terms and Conditions except as provided herein.

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 65

Standard Rate Rider

IL

## Rider for Intermittent Loads

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This schedule applies to all loads having a detrimental effect upon the electric service rendered to other customers of Company or upon Company's facilities.

Where Customer's use of service is intermittent, subject to violent or extraordinary fluctuations, or produces unacceptable levels of harmonic current, in each case as determined by Company, in its reasonable discretion, Company reserves the right to require Customer to furnish, at Customer's own expense, suitable equipment (as approved by Company in its reasonable discretion) to meter and limit such intermittence, fluctuation, or harmonics to the extent reasonably requested by Company. Without limiting the foregoing, Company may require such equipment if, at any time, the megavars, harmonics, and other desirable electrical characteristics produced by the Customer exceed the limits set forth in the IEEE standards for such characteristics. In addition, if the Customer's use of Company's service under this schedule causes such undesirable electrical characteristics in an amount exceeding those IEEE standards, such use shall be deemed to cause a dangerous condition which could subject any person to imminent harm or result in substantial damage to the property of Company or others, and Company shall therefore terminate service to the Customer in accordance with 807 KAR 5:006, Section 14(1)(b). Such a termination of service shall not be considered a cancellation of the service agreement or relieve Customer of any minimum billing or other guarantees. Company shall be held harmless for any damages or economic loss resulting from such termination of service. If requested by Company, Customer shall provide all available information to Company that aids Company in enforcing its service standards. If Company at any time has a reasonable basis for believing that Customer's proposed or existing use of the service provided will not comply with the service standards for interference, fluctuations, or harmonics, Company may engage such experts and/or consultants as Company shall determine are appropriate to advise Company in ensuring that such interference, fluctuations, or harmonics are within acceptable standards. Should such experts and/or consultants determine Customer's use of service is unacceptable, Company's use of such experts and/or consultants will be at the Customer's expense.

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### RATE

1. A contribution in aid of construction or an excess facilities charge shall be required for all special or added facilities, if any, necessary to serve such loads, as provided under the Excess Facilities Rider.
2. Plus the charges provided for under the rate schedule applicable, including any Basic Service Charge if applicable, Energy Charge, Maximum Load Charge (if load charge rate is used), Fuel Clause and the Minimum Charge under such rate adjusted in accordance with (a) or (b) herein.
  - (a) If rate schedule calls for a minimum based on the total kW of connected load, each kVA of such special equipment shall be counted as one kW connected load for minimum billing purposes.
  - (b) If rate schedule calls for a minimum based on the 15-minute integrated load, and such loads operate only intermittently so that the kW registered on a standard 15-minute integrated demand meter is small in comparison to the instantaneous load such equipment is capable of imposing, each kVA of such special equipment shall be counted as one-third kW load for minimum billing purposes.

### MINIMUM CHARGE

As determined by this Rider and the Rate Schedule to which it is attached.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 66

Standard Rate Rider

TS

Temporary and/or Seasonal Electric Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This rider is available at the option of the Customer where Customer's business does not require permanent installation of Company's facilities and is of such nature to require:

1. only seasonal service or temporary service, including service provided for construction of residences or commercial buildings, and where in the judgment of Company the local and system electrical facility capacities are adequate to serve the load without impairment of service to other customers; or
2. where Customer has need for temporary use of Company facilities and Company has facilities it is willing to provide.

This service is available for not less than one (1) month (approximately 30 days), but when service is used longer than one (1) month, any fraction of a month's use will be prorated for billing purposes.

## CONDITIONS

Company may permit such electric loads to be served on the rate schedule normally applicable, but without requiring a yearly contract and minimum, substituting therefore the following conditions and agreements:

1. Customer shall pay Company for all costs of making temporary connections, including cost of installing necessary transformers, meters, poles, wire and any other material, and any cost of material which cannot be salvaged, and the cost of removing such facilities when load has ceased.
2. Customer shall pay regular rate of the applicable electric rate schedule.
3. Where Customer is receiving service under a standard rate and has need for temporary use of Company facilities, Customer will pay for non-salvageable materials outlined in (1) above plus a monthly charge for the salvageable equipment at the Percentage With No Contribution in-Aid-of-Construction specified on the Excess Facilities Rider, Rate Sheet No. 60.

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

Standard Rate Rider

Kilowatt-Hours Consumed By Lighting Units

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**APPLICABLE**

Determination of energy set out below applies to the Company's non-metered lighting rate schedules.

**DETERMINATION OF ENERGY CONSUMPTION**

The applicable fuel clause charge or credit will be based on the kilowatt-hours calculated by multiplying the kilowatt load of each light times the number of hours that light is in use during the billing month. The kilowatt load of each light is shown in the section titled RATE. The number of hours a light will be in use during a given month is from dusk to dawn as shown in the following Hours Use Table.

HOURS USE TABLE

<u>Month</u>	<u>Hours Light Is In Use</u>
JAN	407
FEB	344
MAR	347
APR	301
MAY	281
JUN	257
JUL	273
AUG	299
SEP	322
OCT	368
NOV	386
DEC	415
TOTAL FOR YEAR	4,000 HRS.

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 70

Standard Rate Rider

SGE  
Small Green Energy Rider

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Service under this rider is available to customers receiving service under Company's standard RS or GS rate schedules as an option to participate in Company's "Green Energy Program" whereby Company will aggregate the resources provided by the participating customers to develop green power, purchase green power, or purchase Renewable Energy Certificates.

## DEFINITIONS

- a) Green power is that electricity generated from renewable sources including but not limited to: solar, wind, hydroelectric, geothermal, landfill gas, biomass, biodiesel used to generate electricity, agricultural crops or waste, all animal and organic waste, all energy crops and other renewable resources deemed to be Green-e Certified.
- b) A Renewable Energy Certificate ("REC") is the tradable unit which represents the commodity formed by unbundling the environmental-benefit attributes of a unit of green power from the underlying electricity. One REC is equivalent to the environmental-benefits attributes of one MWh of green power.

## RATE

Voluntary monthly contributions of any amount in \$5.00 increments

## TERMS AND CONDITIONS

- a) Customers may contribute monthly as much as they like in \$5.00 increments (e.g., \$5.00, \$10.00, \$15.00, or more per month) An eligible Customer may participate in Company's "Green Energy Program" by making a request to Company's Call Center or through Company's website enrollment form and may withdraw at any time through a request to Company's Call Center. Funds provided by Customer to Company are not refundable.
- b) Customers may not owe any arrearage prior to entering the "Green Energy Program". Any customer failing to pay the amount the customer pledged to contribute may be removed from the "Green Energy Program." Any customer removed from or withdrawing from the "Green Energy Program" will not be allowed to re-apply for one year.
- c) Customer will be billed monthly for the amount Customer has pledged to contribute to the "Green Energy Program." Such billing will be added to Customer's billing under any standard rate schedules plus applicable riders plus applicable adjustment clauses.

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Date of Issue:

Date Effective: June 1, 2010

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 70.1

Standard Rate Rider

LGE  
Large Green Energy Rider

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Service under this rider is available to customers receiving service under Company's standard PS, TODS, ITODP, CTODP, RTS, or FLS rate schedules as an option to participate in Company's "Green Energy Program" whereby Company will aggregate the resources provided by the participating customers to develop green power, purchase green power, or purchase Renewable Energy Certificates.

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## DEFINITIONS

- a) Green power is that electricity generated from renewable sources including but not limited to: solar, wind, hydroelectric, geothermal, landfill gas, biomass, biodiesel used to generate electricity, agricultural crops or waste, all animal and organic waste, all energy crops and other renewable resources deemed to be Green-e Certified.
- b) A Renewable Energy Certificate ("REC") is the tradable unit which represents the commodity formed by unbundling the environmental-benefit attributes of a unit of green power from the underlying electricity. One REC is equivalent to the environmental-benefits attributes of one MWh of green power.

## RATE

Voluntary monthly contributions of any amount in \$13.00 increments

## TERMS AND CONDITIONS

- a) Customers may contribute monthly as much as they like in \$13.00 increments (e.g., \$13.00, \$26.00, \$39.00, or more per month). An eligible customer may participate in Company's "Green Energy Program" by making a request to the Company and may withdraw at any time through a request to the Company. Funds provided by Customer to Company are not refundable.
- b) Customers may not owe any arrearage prior to entering the "Green Energy Program". Any customer failing to pay the amount the customer pledged to contribute may be removed from the "Green Energy Program." Any customer removed from or withdrawing from the "Green Energy Program" will not be allowed to re-apply for one year.
- c) Customer will be billed monthly for the amount Customer has pledged to contribute to the "Green Energy Program." Such billing will be added to Customer's billing under any standard rate schedules plus applicable riders plus applicable adjustment clauses.

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**Date of Issue:**

**Date Effective: June 1, 2010**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 71

Standard Rate Rider

EDR  
Economic Development Rider

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available as a rider to customers to be served or being served under Company's Standard Rate Schedules TODS, ITODP, CTODP, and RTS to encourage Brownfield Development or Economic Development (as defined herein). Service under EDR is conditional on approval of a special contract for such service filed with and approved by the Public Service Commission of Kentucky.

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## RATE

A customer taking service under EDR shall be served according to all of the rates, terms, and conditions of the normally applicable rate schedule subject to the following:

- a) for the twelve consecutive monthly billings of the first contract year, the Total Demand Charge shall be reduced by 50%;
- b) for the twelve consecutive monthly billings of the second contract year, the Total Demand Charge shall be reduced by 40%;
- c) for the twelve consecutive monthly billings of the third contract year, the Total Demand Charge shall be reduced by 30%;
- d) for the twelve consecutive monthly billings of the fourth contract year, the Total Demand Charge shall be reduced by 20%;
- e) for the twelve consecutive monthly billings of the fifth contract year, the Total Demand Charge shall be reduced by 10%; and
- f) all subsequent billing shall be at the full charges stated in the applicable rate schedule.

"Total Demand Charge" is the sum of all demand charges, including any credits provided under any other demand applicable rider, before the EDR discounts described above are applied.

## TERMS AND CONDITIONS

### Brownfield Development

- a) Service under EDR for Brownfield Development is available to customers locating at sites that have been submitted to, approved by, and added to the Brownfield Inventory maintained by the Kentucky Energy and Environment Cabinet (or by any successor entity created and authorized by the Commonwealth of Kentucky).
- b) EDR for Brownfield Development is available only to billing loads of 500 kVA (or kW as is appropriate) or greater where the customer takes service from existing Company facilities.

### Economic Development

- c) Service under EDR for Economic Development is available to:
  - 1) new customers contracting for a minimum annual average of monthly billing load of 1,000 kVA (or kW as is appropriate); and
  - 2) existing customers contracting for a minimum annual average of monthly billing load of 1,000 kVA (or kW as is appropriate) above their Existing Base Load, to be determined as follows:

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 71.1

Standard Rate Rider

EDR  
Economic Development Rider

## TERMS AND CONDITIONS, Economic Development c) 2) (continued)

- i. Company and the existing customer will determine Customer's Existing Base Load by averaging Customer's previous three years' monthly billing loads, subject to any mutually agreed upon adjustments thereto.
  - ii. Company and the existing customer must agree upon the Existing Base Load, which shall be an explicit term of the special contract submitted to the Commission for approval before the customer can take service under EDR. Once the Existing Base Load's value is thus established, it will not be subject to variation or eligible for service under EDR.
  - iii. This provision is not intended to reduce or diminish in any way EDR service already being provided to all or a portion of a customer's Existing Base Load. Such EDR service would continue under the terms of the contract already existing between the Company and the customer concerning the affected portion of the customer's Existing Base Load.
- d) A customer desiring service under EDR for Economic Development must submit an application for service that includes:
- 1) a description of the new load to be served;
  - 2) the number of new employees, if any, Customer anticipates employing associated with the new load;
  - 3) the capital investment Customer anticipates making associated with the EDR load;
  - 4) a certification that Customer has been qualified by the Commonwealth of Kentucky for benefits under the Kentucky Business Investment Program.
- e) Should Company determine a refundable contribution for the capital investment in Customer-specific facilities required by Company to serve the EDR load would ordinarily be required as set out under Company's Line Extension Plan, I. Special Cases, that amount shall be determined over a fifteen (15) year period and payable at the end of the fifteen (15) year period.

### General

- f) Company may offer EDR to qualifying new load only when Company has generating capacity available and the new load will not accelerate Company's plans for additional generating capacity over the life of the EDR contract.
- g) Customer may request an EDR effective initial billing date that is no later than twelve (12) months after the date on which Company initiates service to Customer.
- h) Neither the demand charge reduction nor any unjustified capital investment in facilities will be borne by Company's other customers during the term of the EDR contract.
- i) Company may offer differing terms, as appropriate, under special contract to which this rider is a part depending on the circumstances associated with providing service to a particular customer and subject to approval by the Public Service Commission of Kentucky.

### TERM OF CONTRACT

Service will be furnished under the applicable standard rate schedule and this rider, filed as a special contract with the Commission for a fixed term of not less than ten (10) years and for such time thereafter under the terms stated in the standard rate schedule. A greater term of contract or termination notice may be required because of conditions associated with a Customer's requirements for service. Service will be continued under conditions provided for under the rate schedule to which this Rider is attached after the original term of contract.

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**Date of Issue:**

**Date Effective: August 11, 2011**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 79

Standard Rate

LEV  
Low Emission Vehicle Service

## APPLICABLE

In the territory served.

## AVAILABILITY OF SERVICE

LEV shall be available as option to customers otherwise served under rate schedule RS to encourage off-peak power for low emission vehicles.

- 1) LEV is a three year pilot program that may be restricted to a maximum of one hundred (100) customers eligible for Rate RS (or GS where the GS service is used in conjunction with an RS service to provide service to a detached garage and energy usage is no more than 300 kWh per month) in any year and shall remain in effect until modified or terminated by order of the Commission. Company will accept applications on a first-come-first-served basis.
- 2) This service is restricted to customers who demonstrate power delivered to premises is consumed, in part, for the powering of low emission vehicles licensed for operation on public streets or highways. Such vehicles include:
  - a) battery electric vehicles or plug-in hybrid electric vehicles recharged through a charging outlet at Customer's premises,
  - b) natural gas vehicles refueled through an electric-powered refueling appliance at Customer's premises.
- 3) A customer exiting the pilot program or disconnected for non-payment may not be allowed to return to it until the Commission has issued a decision on the pilot program report.
- 4) Company will file a report on LEV with the Commission within six months after the first three years of implementation of the pilot program. Such report will detail findings and recommendations.

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## RATE

Basic Service Charge: \$10.75 per month

Plus an Energy Charge:

Off Peak Hours: \$ 0.05183 per kWh  
Intermediate Hours: \$ 0.07262 per kWh  
Peak Hours: \$ 0.13814 per kWh

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## ADJUSTMENT CLAUSES

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

Fuel Adjustment Clause	Sheet No. 85
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
Environmental Cost Recovery Surcharge	Sheet No. 87
Franchise Fee Rider	Sheet No. 90
School Tax	Sheet No. 91
Home Energy Assistance Program	Sheet No. 92

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 79.1

Standard Rate

LEV  
Low Emission Vehicle Service

## DETERMINATION OF PRICING PERIODS

Pricing periods are established in Eastern Standard Time year round by season for weekdays and weekends. The hours of the pricing periods for the price levels are as follows:

### Summer months of May through September

	<u>Off-Peak</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	10 PM - 10 AM	10 AM - 1 PM 7 PM - 10 PM	1 PM - 7 PM
Weekends	All Hours		

### All other month of October continuously through April

	<u>Off-Peak</u>	<u>Intermediate</u>	<u>Peak</u>
Weekdays	10 PM - 6 AM	12 Noon – 10 PM	6 AM – 12 Noon
Weekends	All Hours		

## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

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## TERMS OF CONTRACT

For a fixed term of not less than one (1) year and for such time thereafter until terminated by either party giving thirty (30) days written notice to the other of the desire to terminate.

## TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto. Customers served under this optional pilot program will not be eligible for Company's Budget Payment Plan. Company shall install metering equipment capable of accommodating the Time of Use rate described herein.

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 85

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## Adjustment Clause

## FAC Fuel Adjustment Clause

### APPLICABLE.

In all territory service.

### AVAILABILITY OF SERVICE

This schedule is mandatory to all electric rate schedules.

- (1) The charge per kWh delivered under the rate schedules to which this fuel clause is applicable shall be increased or decreased during each month in accordance with the following formula:

$$\text{Adjustment Factor} = \frac{F(m)}{S(m)} - \frac{F(b)}{S(b)}$$

Where "F" is the expense of fossil fuel and "S" is the kWh sales in the base (b) and current (m) periods as defined in 807 KAR 5:056, all as set out below:

- (2) Fuel costs (F) shall be the most recent actual monthly cost of:
- (a) Fossil fuel consumed in the utility's own plants, plus the cost of fuel which would have been used in plants suffering forced generation or transmission outages, but less the cost of fuel related to substitute generation, plus
  - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute for the forced outages, plus
  - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases and the charges as a result of scheduled outages, all such kinds of energy being purchased by the buyer to substitute for its own higher cost energy; and less
  - (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
  - (e) All fuel costs shall be based on weighted average inventory costing.
- (3) Forced Outages are all non-scheduled losses of generation or transmission which require substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of the public enemy, then the utility may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment. Until such approval is obtained, in making the calculations of fuel cost (F) in subsection (2)(a) and (b) above, the forced outage costs to be subtracted shall be no less than the fuel cost related to the lost generation.

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 85.1

Adjustment Clause

FAC  
Fuel Adjustment Clause

- (4) Sales (S) shall be all kWh sold, excluding inter-system sales. Where, for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in subsection (2)(d) above, less (vi) total system losses. Utility used energy shall not be excluded in the determination of sales (S). T
- (5) The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of FERC Uniform System of Accounts for Public Utilities and Licensees.
- (6) Base (b) period shall be the twelve (12) months ending October 2010 and the base fuel factor is \$0.02215 per kWh.
- (7) Current (m) period shall be the second month preceding the month in which the Fuel Clause Adjustment Factor is billed.
- (8) Pursuant to the Public Service Commission's Order in Case No. 2010-00493 dated May 31, 2011, the Fuel Adjustment Clause will become effective with bills rendered on and after the first billing cycle for July 2011, which begins June 29, 2011.

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**Date of Issue:**

**Date Effective: January 1, 2013**

**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. 2010-00493 dated May 31, 2011**

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86

## Adjustment Clause

## DSM

### Demand-Side Management Cost Recovery Mechanism

#### APPLICABLE

In all territory served.

#### AVAILABILITY OF SERVICE

This schedule is mandatory to Residential Rate RS, Volunteer Fire Department Rate VFD, General Service Rate GS, Power Service Rate PS, Time-of-Day Secondary Service Rate TODS, Industrial Time-of-Day Primary Service Rate ITODP, Commercial Time-of-Day Primary Service Rate CTODP, Retail Transmission Service Rate RTS, and Low Emission Vehicle Service Rate LEV. Industrial customers who elect not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism. For purposes of rate application hereunder, non-residential customers will be considered "industrial" if they are primarily engaged in a process or processes that create or change raw or unfinished materials into another form or product, and/or in accordance with the North American Industry Classification System, Sections 21, 22, 31, 32, and 33. All other non-residential customers will be defined as "commercial."

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#### RATE

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per kilowatt hour of monthly consumption in accordance with the following formula:

$$\text{DSMRC} = \text{DCR} + \text{DRLS} + \text{DSMI} + \text{DBA} + \text{DCCR}$$

Where:

#### DCR = DSM COST RECOVERY

The DCR shall include all expected costs that have been approved by the Commission for each twelve-month period for demand-side management programs that have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees, and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program. The cost of approved programs shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DCR for each such rate class.

#### DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff will be recovered as follows:

- 1) For each upcoming twelve-month period, the estimated reduction in customer usage (in kWh) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per kWh for purposes of determining the lost revenue to be recovered hereunder from each customer class. The non-variable revenue requirement for the Residential, Volunteer Fire Department, General Service, and LEV customer classes is defined as the weighted average price per kWh of expected

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**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.1

## Adjustment Clause

## DSM

### Demand-Side Management Cost Recovery Mechanism

#### RATE (continued)

billings under the energy charges contained in the RS, VFD, GS, and LEV rate schedules in the upcoming twelve-month period after deducting the variable costs included in such energy charges. The non-variable revenue requirement for each of the customer classes that are billed under demand and energy rates (rate schedules PS, TODS, ITODP and CTODP) is defined as the weighted average price per kWh represented by the composite of the expected billings under the respective demand and energy charges in the upcoming twelve-month period, after deducting the variable costs included in the energy charges.

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- 2) The lost revenues for each customer class shall then be divided by the estimated class sales (in kWh) for the upcoming twelve-month period to determine the applicable DRLS surcharge. Recovery of revenue from lost sales calculated for a twelve-month period shall be included in the DRLS for thirty-six (36) months or until implementation of new rates pursuant to a general rate case, whichever comes first. Revenues from lost sales will be assigned for recovery purposes to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation, and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

#### **DSMI = DSM INCENTIVE**

For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs that are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of Company's avoided costs over the expected life of the program, and will include both capacity and energy savings. For the Energy Education Program, the DSM incentive amount shall be computed by multiplying the annual cost of the approved program times five (5) percent.

The DSM incentive amount related to programs for Residential Rate RS, Volunteer Fire Department Rate VFD, General Service Rate GS, Power Service Rate PS, Time-of-Day Secondary Service Rate TODS, Industrial Time-of-Day Primary Service Rate ITODP, Commercial Time-of-Day Primary Service Rate CTODP, and Low Emission Vehicle Service Rate shall be divided by the expected kilowatt-hour sales for the upcoming twelve-

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.2

Adjustment Clause

DSM

## Demand-Side Management Cost Recovery Mechanism

-month period to determine the DSMI for such rate class. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive. T

### DBA = DSM BALANCE ADJUSTMENT

The DBA shall be calculated on a calendar-year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI, DCCR, and previous application of the DBA and the revenues that should have been billed, as follows:

- 1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- 2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- 3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- 4) For the DBA, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DBA and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest applied to the monthly amounts, such interest to be calculated at a rate equal to the average of the "Three-Month Commercial Paper Rate" for the immediately preceding twelve-month period. The total of the balance adjustment amounts shall be divided by the expected kilowatt-hour sales for the upcoming twelve-month period to determine the DBA for such rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes for which over- or under-recoveries of DSM amounts were realized.

### DCCR = DSM CAPITAL COST RECOVERY

The DCCR component is the means by which the Company recovers its capital investments made for DSM programs, as well as an approved rate of return on such capital investments. The Company calculates the DCCR component as follows:

$$DCCR = [(RB) (ROR + (ROR - DR) (TR / (1 - TR)))] + OE$$

- a) RB is the total rate base for DCCR projects.
- b) ROR is the overall rate of return on DSM Rate Base (RB).
- c) DR is the composite debt rate (i.e., the cost of short- and long-term debt) embedded in ROR.

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.3

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## Adjustment Clause

## DSM

### Demand-Side Management Cost Recovery Mechanism

- d) TR is the composite federal and state income tax rate that applies to the equity return component of ROR.
- e) OE is the sum of the capital-related operating expenses (i.e., depreciation and amortization expense, property taxes, and insurance expense) of the DSM projects to which DCCR applies.

The Company then allocates the DCCR component to the rate class(es) benefitting from the Company's various DSM-related capital investment(s).

### CHANGES TO DSMRC

The filing of modifications to the DSMRC that require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing.

Modifications to other components of the DSMRC shall be made at least thirty (30) days prior to the effective period for billing. Each filing shall include the following information as applicable:

- 1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies that have been performed, as available.
- 2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA, DCCR, and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

### PROGRAMMATIC CUSTOMER CHARGES

#### Residential Customer Program Participation Incentives:

The following Demand Side Management programs are available to residential customers receiving service from the Company on the RS, VFD and LEV Standard Electric Rate Schedules.

#### Residential Load Management / Demand Conservation

The Residential Load Management / Demand Conservation Program employ switches in homes to help reduce the demand for electricity during peak times. The program communicates with the switches to cycle central air conditioning units, heat pumps, electric water heaters, and pool pumps off and on through a predetermined sequence. This program has an approved flexible incentive structure. The current program offering is defined on Sheet No 86.8.

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**Date of Issue:**

**Date Effective: May 31, 2012**

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

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**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Residential Conservation / Home Energy Performance Program**

The on-site audit offers a comprehensive audit from a certified auditor and incentives for residential customers to support the implementation of energy saving measures for a fee of \$25. Customers are eligible for incentives of \$500 or \$1,000 based on customer purchased and installed energy efficiency measures and validated through a follow-up test.

**Residential Low Income Weatherization Program (WeCare)**

The Residential Low Income Weatherization Program (WeCare) is an education and weatherization program designed to reduce energy consumption of LG&E's low-income customers. The program provides energy audits, energy education, blower door tests, and installs weatherization and energy conservation measures. Qualified customers could receive energy conservation measures ranging from \$0 to \$2,100 based upon the customer's most recent twelve-month energy usage and results of an energy audit.

**Smart Energy Profile**

The Smart Energy Profile Program provides a portion of LG&E's highest consuming residential customers with a customized report of tips, tools and energy efficiency programming recommendations based on individual household energy consumption. These reports are benchmarked against similar properties in locality. The report will help the customer understand and make better informed choices as it relates to energy usage and the associated costs. Information presented in the report will include a comparison of the customer's energy usage to that of similar houses (collectively) and a comparison to the customer's own energy usage in the prior year.

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.5

Adjustment Clause

DSM

Demand-Side Management Cost Recovery Mechanism

## Residential Incentives Program

The Residential Incentives Program encourages customers to purchase and install various ENERGY STAR® appliances, HVAC equipment, or window films that meet certain requirements, qualifying them for an incentive as noted in the table below.

Category	Item	Incentive
Appliances	Heat Pump Water Heaters (HPWH)	\$300 per qualifying item purchased
	Washing Machine	\$75 per qualifying item purchased
	Refrigerator	\$100 per qualifying item purchased
	Freezer	\$50 per qualifying item purchased
	Dishwasher	\$50 per qualifying item purchased
Window Film	Window Film	Up to 50% of materials cost only; max of \$200 per customer account; product must meet applicable criteria.
HVAC	Central Air Conditioner	\$100 per Energy Star item purchased plus an additional \$100 per SEER improvement above minimum
	Electric Air-Source Heat Pump	\$100 per Energy Star item purchased plus additional \$100 per SEER improvement above minimum

## Residential Refrigerator Removal Program

The Residential Refrigerator Removal Program is designed to provide removal and recycling of working, inefficient secondary refrigerators and freezers from LG&E customer households. Customers participating in this program will be provided a one-time incentive. This program has an approved flexible incentive structure. The current program offering is defined on Sheet No 86.8.

## Residential High Efficiency Lighting Program

The Residential High Efficiency Lighting program promotes an increased use of ENERGY STAR® rated CFLs within the residential sector. The Residential High Efficiency Lighting Program distributes compact fluorescent bulbs through direct-mail.

## Residential New Construction Program

The Residential New Construction program is designed to reduce residential energy usage and facilitate market transformation by creating a shift in builders' new home construction to include energy-efficient construction practices. Builders who are part of the program can take advantage of technical training classes, gain additional exposure to potential customers and receive incentives to help offset costs when including more energy-efficient features during home construction. LG&E will reimburse the cost of plan reviews and inspection costs related to an Energy Star or HERS home certification.

Date of Issue:

Date Effective: May 31, 2012

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

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**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Residential HVAC Diagnostics and Tune Up Program**

The Residential HVAC Diagnostic and Tune-up program targets customers with HVAC system performance issues. There are no incentives paid directly to customers. Customers are charged a discounted, fixed-fee for the diagnosis and if needed, a similar fee for implementation of corrective actions. Thus, the program pays the portion of diagnostic and tune-up cost in excess of the customer charge below. The customer cost is as follows:

- Customer cost is \$35 per unit for diagnostics test
- Customer cost is \$50 per unit for tune-up

**Customer Education and Public Information**

These programs help customers make sound energy-use decisions, increase control over energy bills and empower them to actively manage their energy usage. Customer Education and Public Information is accomplished through two processes: a mass-media campaign and an elementary- and middle-school program. The mass media campaign includes public-service advertisements that encourage customers to implement steps to reduce their energy usage. The elementary and middle school program provides professional development and innovative materials to K-8 schools to teach concepts such as basic energy and energy efficiency concepts.

**Dealer Referral Network**

The Dealer Referral Network assists customers in identifying qualified service providers to install energy efficiency improvements recommended and/ or subsidized by the various energy efficiency programs.

**Commercial Customer Program Participation Incentives:**

The following Demand Side Management programs are available to commercial customers receiving service from the Company on the GS, PS, TODS, CTODP, and RTS Standard Electric Rate Schedules.

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**Commercial Load Management / Demand Conservation**

The Commercial Load Management / Demand Conservation Program employ switches or interfaces to customer equipment, in small and large commercial businesses to help reduce the demand for electricity during peak times. The Program communicates with the switches or interface to cycle equipment. This program has an approved flexible incentive structure. The current program offering is defined on Sheet No 86.8.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Commercial Conservation (Energy Audits) / Commercial Incentives**

The Commercial Conservation / Commercial Incentive Program is designed to provide energy efficiency opportunities for the Companies' commercial class customers through energy audits and to increase the implementation of energy efficiency measures by providing financial incentives to assist with the replacement of aging and less efficient equipment. Incentives available to all commercial customers are based upon a \$100 per kW removed for calculated efficiency improvements. A prescriptive list provides customers with incentive values for various efficiency improvements projects. Additionally, a custom rebate is available based upon company engineering validation of sustainable kW removed.

- Maximum annual incentive per facility is \$50,000
- Customers can receive multi-year incentives in a single year where such multi-year incentives do not exceed the aggregate of \$100,000 per facility and no incentive was provided in the immediately preceding year
- Applicable for combined Prescriptive and Custom Rebates

**Commercial HVAC Diagnostics and Tune Up Program**

The Commercial HVAC Diagnostic and Tune-up program targets customers with HVAC system performance issues. There are no incentives paid directly to customers. Customers are charged a discounted, fixed-fee for the diagnosis and if needed, a similar fee for implementation of corrective actions. Thus, the program pays the portion of diagnostic and tune-up cost in excess of the customer charge below. The customer cost is as follows:

- Customer cost is \$50 per unit for diagnostics test
- Customer cost is \$100 per unit for tune-up

**Customer Education and Public Information**

These programs help customers make sound energy-use decisions, increase control over energy bills and empower them to actively manage their energy usage. Customer Education and Public Information is accomplished through two processes: a mass-media campaign and an elementary- and middle-school program. The mass media campaign includes public-service advertisements that encourage customers to implement steps to reduce their energy usage. The elementary and middle school program provides professional development and innovative materials to K-8 schools to teach concepts such as basic energy and energy efficiency concepts.

**Dealer Referral Network**

The Dealer Referral Network assists customers in identifying qualified service providers to install energy efficiency improvements recommended and/ or subsidized by the various energy efficiency programs.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.8

Adjustment Clause

DSM

## Demand-Side Management Cost Recovery Mechanism

### Current Program Incentive Structures

#### Residential Load Management / Demand Conservation

##### Switch Option:

- \$5/month bill credit for June, July, August, & September per air conditioning unit or heat pump on single family home.
- \$2/month bill credit for June, July, August, & September per electric water heater or swimming pool pump on single family home.
- If new customer registers by May 31, 2012, then a \$10 gift card per air-conditioning unit, heat pump, water-heater and/or swimming pool pump switch installed.
  - Customers in a tenant landlord relationship will receive the entire \$10 new customer incentive.
  -

##### Multi-family Option:

- \$2/month bill credit per customer for June, July, August, & September.
- \$2/month incentive per air conditioning or heat pump switch to the premise owner for June, July, August, & September.
- If new customer registers by May 31, 2012, then a \$10 gift card per air-conditioning unit or heat pump installed.
  - Customers in a tenant landlord relationship where the entire complex participates will split the new customer incentive with the property owner.
  - Customers in a tenant landlord relationship where only a portion of the complex participates, the tenant will receive a \$5 new customer incentive.

#### Residential Refrigerator Removal Program

The program provides \$30 per working refrigerator or freezer.

#### Commercial Load Management / Demand Conservation

##### Switch Option

- \$5 per month bill credit for June, July, August, & September for air conditioning units up to 5 tons. An additional \$1 per month bill credit for each additional ton of air conditioning above 5 tons based upon unit rated capacity.

##### Customer Equipment Interface Option

The Company will offer a Load Management / Demand Response program tailored to a commercial customer's ability to reduce load. Program participants must commit to a minimum of 50 kW demand reduction per control event. The Company will continue to enroll program participants until 10MW curtailable load is achieved.

- \$25 per kW for verified load reduction during June, July, August, & September.
- The customer will have access to at least hourly load data for every month of the year which they remain enrolled in the program.

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Date of Issue:

Date Effective: January 1, 2013

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.9

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**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

- Additional customer charges may be incurred for metering equipment necessary for this program at costs under other tariffs.

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**Date of Issue:**

**Date Effective: May 31, 2012**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.10

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**Adjustment Clause** **DSM**  
**Demand-Side Management Cost Recovery Mechanism**

**Monthly Adjustment Factors**

<u>Residential Rate RS, Volunteer Fire Department Rate VFD, and Low Emission Vehicle Service Rate LEV</u>	<u>Energy Charge</u>	T
DSM Cost Recovery Component (DCR)	\$ 0.00147 per kWh	
DSM Revenues from Lost Sales (DRLS)	\$ 0.00154 per kWh	
DSM Incentive (DSMI)	\$ 0.00007 per kWh	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00049 per kWh	
DSM Balance Adjustment (DBA)	\$ (0.00070) per kWh	
Total DSMRC for Rates RS, VFD, and LEV	\$ 0.00287 per kWh	
 <u>General Service Rate GS</u>	 <u>Energy Charge</u>	
DSM Cost Recovery Component (DCR)	\$ 0.00076 per kWh	
DSM Revenues from Lost Sales (DRLS)	\$ 0.00158 per kWh	
DSM Incentive (DSMI)	\$ 0.00004 per kWh	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00007 per kWh	
DSM Balance Adjustment (DBA)	\$ (0.00004) per kWh	
Total DSMRC for Rates GS	\$ 0.00241 per kWh	T
 <u>Commercial Customers Served Under Power Service Rate PS</u>	 <u>Energy Charge</u>	 T
DSM Cost Recovery Component (DCR)	\$ 0.00025 per kWh	
DSM Revenues from Lost Sales (DRLS)	\$ 0.00084 per kWh	
DSM Incentive (DSMI)	\$ 0.00001 per kWh	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per kWh	
DSM Balance Adjustment (DBA)	\$ 0.00001 per kWh	
Total DSMRC for Rate PS	\$ 0.00111 per kWh	
 <u>Commercial Customers Served Under Time-of-Day Secondary Service Rate TODS and Commercial Time-of-Day Primary Service Rate CTODP</u>	 <u>Energy Charge</u>	 T T
DSM Cost Recovery Component (DCR)	\$ 0.00022 per kWh	
DSM Revenues from Lost Sales (DRLS)	\$ 0.00070 per kWh	
DSM Incentive (DSMI)	\$ 0.00001 per kWh	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per kWh	
DSM Balance Adjustment (DBA)	\$ (0.00004) per kWh	
Total DSMRC for Rates TODS, and CTODP	\$ 0.00089 per kWh	T

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 86.11

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**Adjustment Clause**    **DSM**  
**Demand-Side Management Cost Recovery Mechanism**

## Monthly Adjustment Factors

Industrial Customers Served Under Power Service Rate PS, Time-of-Day Secondary Service Rate TODS, Industrial Time-of-Day Primary Service Rate ITODP, and Retail Transmission Rate RTS	<u>Energy Charge</u>	T T T
DSM Cost Recovery Component (DCR)	\$ 0.00000 per kWh	
DSM Revenues from Lost Sales (DRLS)	\$ 0.00000 per kWh	
DSM Incentive (DSMI)	\$ 0.00000 per kWh	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per kWh	
DSM Balance Adjustment (DBA)	<u>\$ 0.00000</u> per kWh	
Total DSMRC for Rates PS, TODS, ITODP, and RTS	\$ 0.00000 per kWh	T

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 87

Adjustment Clause

ECR

Environmental Cost Recovery Surcharge

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This schedule is mandatory to all Standard Electric Rate Schedules listed in Section 1 of the General Index except CTAC and Special Charges, all Pilot Programs listed in Section 3 of the General Index, and the FAC and DSM Adjustment Clauses. Standard Electric Rate Schedules subject to this schedule are divided into Group 1 or Group 2 as follows:

Group 1: Rate Schedules RS; VFD; LS; RLS; LE; TE; and Pilot Program LEV.

Group 2: Rate Schedules GS; PS; TODS; ITODP; CTODP; RTS; and FLS.

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## RATE

The monthly billing amount under each of the schedules to which this mechanism is applicable, shall be increased or decreased by a percentage factor calculated in accordance with the following formula.

$$\text{Group Environmental Surcharge Billing Factor} = \text{Group E(m)} / \text{Group R(m)}$$

As set forth below, Group E(m) is the sum of Jurisdictional E(m) of each approved environmental compliance plan revenue requirement of environmental compliance costs for the current expense month allocated to each of Group 1 and Group 2. Group R(m) for Group 1 is the 12-month average revenue for the current expense month and for Group 2 it is the 12-month average non-fuel revenue for the current expense month.

## DEFINITIONS

- 1) For all Plans,  $E(m) = [(RB/12) (ROR + (ROR - DR) (TR / (1 - TR)))] + OE - EAS + BR$  T
  - a) RB is the Total Environmental Compliance Rate Base.
  - b) ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the overall rate of return [cost of short-term debt, long-term debt, preferred stock, and common equity].
  - c) DR is the Debt Rate [cost of short-term debt and long-term debt].
  - d) TR is the Composite Federal and State Income Tax Rate.
  - e) OE is the Operating Expenses. OE includes operation and maintenance expense recovery authorized by the K.P.S.C. in all approved ECR Plan proceedings. T
  - f) EAS is the total proceeds from emission allowance sales applicable to the pre-2011 Plans only. T
  - g) BR is the operation and maintenance expenses, and/or revenues if applicable, associated with Beneficial Reuse applicable to the pre-2011 Plans only.
  - h) Plans are the environmental surcharge compliance plans submitted to and approved by the Kentucky Public Service Commission pursuant to KRS 278.183.

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 87.1

**Adjustment Clause**

**ECR**

**Environmental Cost Recovery Surcharge**

- 2) Total E(m) (sum of each approved environmental compliance plan revenue requirement) is multiplied by the Jurisdictional Allocation Factor. Jurisdictional E(m) is adjusted for any (Over)/Under collection or prior period adjustment and by the subtraction of the Revenue Collected through Base Rates for the Current Expense month to arrive at Adjusted Net Jurisdictional E(m). Adjusted Net Jurisdictional E(m) is allocated to Group 1 and Group 2 on the basis of Revenue as a Percentage of Total Revenue for the 12 months ending with the Current Month to arrive at Group 1 E(m) and Group 2 E(m).
- 3) The Group 1 R(m) is the average of total Group 1 monthly base revenue for the 12 months ending with the current expense month. Base revenue includes the customer, energy, and lighting charges for each rate schedule included in Group 1 to which this mechanism is applicable and automatic adjustment clause revenues for the Fuel Adjustment Clause and the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 1.
- 4) The Group 2 R(m) is the average of total Group 2 monthly base non-fuel revenue for the 12 months ending with the current expense month. Base non-fuel revenue includes the customer, non-fuel energy, and demand charges for each rate schedule included in Group 2 to which this mechanism is applicable and automatic adjustment clause revenues for the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 2. Non-fuel energy is equal to the tariff energy rate for each rate schedule included in Group 2 less the base fuel factor as defined on Sheet No. 85.1, Paragraph 6.
- 5) Current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

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**Date of Issue:**

**Date Effective: February 29, 2012**

**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. 2011-00232 dated February 29, 2012**

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 90

## Adjustment Clause

## FF Franchise Fee Rider

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Available as an option for collection of revenues within governmental jurisdictions which impose on Company franchise fees, permitting fees, local taxes or other charges by ordinance, franchise, or other governmental directive and not otherwise collected in the charges of Company's base rate schedules.

### DEFINITIONS

Base Year - the twelve-month period ending November 30.

Collection Year - the full calendar year following the Base Year.

Base Year Amount -

- 1) a percentage of revenues, as determined in the franchise agreement, for the Base Year; and
- 2) License fees, permit fees, or other costs specifically borne by Company for the purpose of maintaining the franchise as incurred in the Base Year and applicable specifically to Company by ordinance or franchise for operation and maintenance of its facilities in the franchise area, including but not limited to costs incurred by Company as a result of governmental regulation or directives requiring construction or installation of facilities beyond that normally provided by Company in accordance with applicable Rules and Regulations approved by and under the direction of the Kentucky Public Service Commission; and
- 3) any adjustment for over or under collection of revenues associated with the amounts in 1) or 2).

### RATE

The franchise percentage will be calculated by dividing the Base Year amount by the total revenues in the Base Year for the franchise area. The franchise percentage will be monitored during the Collection Year and adjusted to recover the Base Year Amount in the Collection Year as closely as possible.

### BILLING

- 1) The franchise charge will be applied exclusively to the base rate and all riders of bills of customers receiving service within the franchising governmental jurisdiction, before taxes.
- 2) The franchise charge will appear as a separate line item on the Customer's bill and show the unit of government requiring the franchise.
- 3) Payment of the collected franchise charges will be made to the governmental franchising body as agreed to in the franchise agreement.

### TERM OF CONTRACT

As agreed to in the franchise agreement. In the event such franchise agreement should lapse but payment of franchise fees, other local taxes, or permitting fees paid by Company by ordinance, franchise, or other governmental directive should continue, collection shall continue under this tariff.

### TERMS AND CONDITIONS

Service will be furnished in accordance with the provisions of the franchise agreement in so far as those provisions do not conflict with the Terms and Conditions applicable to Company approved by and under the direction of the Kentucky Public Service Commission.

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**Date of Issue:**

**Date Effective: October 16, 2003**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 91

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Adjustment Clause

ST  
School Tax

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

This schedule is applied as a rate increase to all other schedules pursuant to KRS 160.617 for the recovery by the utility of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

## RATE

The utility gross receipts license tax authorized under state law.

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Date of Issue:

Date Effective: August 1, 2010

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. 2009-00549 dated July 30, 2010

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 92

Adjustment Clause

HEA  
Home Energy Assistance Program

**APPLICABLE**

In all territory served.

**AVAILABILITY**

To all residential customers.

**RATE**

\$0.25 per meter per month.

**BILLING**

The HEA charge shall be shown as a separate item on customer bills.

**SERVICE PERIOD**

The Home Energy Assistance charge will be applied to all residential electric bills rendered during the billing cycles commencing January 1, 2013 until the effective date of new base rates, or as otherwise directed by the Public Service Commission. The HEA program is approved through September 30, 2015. Proceeds from this charge will be used to fund residential low-income demand-side management Home Energy Assistance programs which have been designed through a collaborative advisory process and then filed with, and approved by, the Commission.



## TERMS AND CONDITIONS Customer Bill of Rights

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service, if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days, provided you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March.
- If you have been disconnected due to non-payment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
  - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
  - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
  - 3) Accept referral to the Human Resources' Weatherization Program, and
  - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.
- You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (call Toll Free 1-800-772-4636).

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

## TERMS AND CONDITIONS

### General

#### COMMISSION RULES AND REGULATIONS

All electric service supplied by Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

#### COMPANY TERMS AND CONDITIONS.

In addition to the rules and regulations of the Commission, all electric service supplied by Company shall be in accordance with these Terms and Conditions, which shall constitute a part of all applications and contracts for service.

#### RATES, TERMS AND CONDITIONS ON FILE

A copy of the rate schedules, terms, and conditions under which electric service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, terms and conditions, together with the law, rules, and regulations of the Commission, is available for public inspection in each office of Company where bills may be paid.

#### ASSIGNMENT

No order for service, agreement or contract for service may be assigned or transferred without the written consent of Company.

#### RENEWAL OF CONTRACT

If, upon the expiration of any service contract for a specified term, the customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one (1) year each, subject to termination at the end of any year upon thirty (30) days prior written notice by either party.

#### AGENTS CANNOT MODIFY AGREEMENT WITHOUT CONSENT OF P.S.C. OF KY.

No agent has power to amend, modify, alter, or waive any of these Terms and Conditions, or to bind Company by making any promises or representations not contained herein.

#### SUPERSEDE PREVIOUS TERMS AND CONDITIONS

These Terms and Conditions supersede all terms and conditions under which Company has previously supplied electric service.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

## TERMS AND CONDITIONS

### Customer Responsibilities

#### APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before Company is obligated to render electric service. Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using electric service is clearly outside the scope of Company's standard rate schedules, Company may establish special contracts giving effect to such unusual circumstances. Customer accepts that non-standard service may result in the delay of required maintenance or, in the case of outages, restoration of service.

#### TRANSFER OF APPLICATION

Applications for electric service are not transferable and new occupants of premises will be required to make application for service before commencing the use of electricity. Customers who have been receiving electric service shall notify Company when discontinuance of service is desired, and shall pay for all electric service furnished until such notice has been given and final meter readings made by Company.

#### CONTRACTED DEMANDS

For rate applications where billing demand minimums are determined by the Contract Demand customer shall execute written Contract prior to rendering of service. At Company's sole discretion, in lieu of a written contract, a completed load data sheet or other written load specification, as provided by Customer, can be used to determine the maximum load on Company's system for determining Contract Demand minimum.

#### OPTIONAL RATES

If two or more rate schedules are available for the same class of service, it is Customer's responsibility to determine the options available and to designate the schedule under which customer desires to receive service.

Company will, at any time, upon request, advise any customer as to the most advantageous rate for existing or anticipated service requirements as defined by Customer, but Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

In those cases in which the most favorable rate is difficult to predetermine, Customer will be given the opportunity to change to another schedule, unless otherwise prevented by the rate schedule under which Customer is currently served, after trial of the schedule originally designated; however, after the first such change, Company shall not be required to make a change in schedule more often than once in twelve months.

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 97.1

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## TERMS AND CONDITIONS

### Customer Responsibilities

From time to time, Customer should investigate Customer's operating conditions to determine a desirable change from one available rate to another. Company, lacking knowledge of changes that may occur at any time in Customer's operating conditions, does not assume responsibility that customers will at all times be served under the most beneficial rate.

In no event will Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.

### CUSTOMER'S EQUIPMENT AND INSTALLATION

Customer shall furnish, install and maintain at Customer's expense all electrical apparatus and wiring to connect with Company's service drop or service line. All such apparatus and wiring shall be installed and maintained in conformity with applicable statutes, laws or ordinances and with the rules and regulations of the constituted authorities having jurisdiction. Customer shall not install wiring or connect and use any motor or other electricity-using device which in the opinion of Company is detrimental to its electric system or to the service of other customers of Company. Company assumes no responsibility whatsoever for the condition of Customer's electrical wiring, apparatus, or appliances, nor for the maintenance or removal of any portion thereof.

In the event Customer builds or extends its own transmission or distribution system over property Customer owns, controls, or has rights to, and said system extends or may extend into the service territory of another utility company, Customer will notify Company of their intention in advance of the commencement of construction.

### OWNER'S CONSENT TO OCCUPY

Customer shall grant easements and rights-of-way on and across Customer's property at no cost to Company.

### ACCESS TO PREMISES AND EQUIPMENT

Company shall have the right of access to Customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of electric service or for the purpose of turning on and shutting off the supply of electricity when necessary and for all other proper purposes. Customer shall not construct or permit the construction of any structure or device which will restrict the access of Company to its equipment for any of the above purposes.

### PROTECTION OF COMPANY'S PROPERTY

Customers will be held responsible for tampering, interfering with, breaking of seals of meters, or other equipment of Company installed on Customer's premises, and will be held liable for same according to law. Customer hereby agrees that no one except the employees of Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of Company.

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 97.2

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## TERMS AND CONDITIONS

### Customer Responsibilities

#### POWER FACTOR

Company installs facilities to supply power to its customers at or near unity power factor.

Company expects any customer to use apparatus which shall result in a power factor near unity. However, Company will permit the use of apparatus which shall result, during normal operation, in a power factor not lower than 90 percent either lagging or leading.

Where Customer's power factor is less than 90 percent, Company reserves the right to require the customer to furnish, at Customer's own expense, suitable corrective equipment to maintain a power factor of 90 percent or higher.

#### EXCLUSIVE SERVICE ON INSTALLATION CONNECTED

Except in cases where Customer has contracted with Company for reserve or auxiliary service, no other electric light or power service will be used by Customer on the same installation in conjunction with Company's service, either by means of a throw-over switch or any other connection.

#### LIABILITY

Customer assumes all responsibility for the electric service upon Customer's premises at and from the point of delivery of electricity and for the wires and equipment used in connection therewith, and will protect and save Company harmless from all claims for injury or damage to persons or property occurring on Customer's premises or at and from the point of delivery of electricity, occasioned by such electricity or said wires and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of Company.

#### NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service connections, transformers, meters, and appurtenances supplied by Company for the rendition of electric service to its customers have a definite capacity which may not be exceeded without damage. In the event that Customer contemplates any material increase in Customer's connected load, whether in a single increment or over an extended period, Customer shall immediately give Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice, Customer may be held liable for any damage done to meters, transformers, or other equipment of Company caused by such material increase in the Customer's connected load. Should Customer make a permanent change in the operation of electrical equipment that materially reduces the maximum load required by Customer, Company may reduce Customer's contract capacity.

#### PERMITS

Customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give Company or its agents access to Customer's premises and equipment and to enable its service to be connected therewith. In case Customer is not the owner of the premises or of intervening property between the premises and Company's distribution lines, Customer shall obtain from the property owner or owners the necessary consent to the installation and maintenance in said premises and in or about such intervening property of

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 97.3

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## TERMS AND CONDITIONS

### Customer Responsibilities

#### PERMITS (continued)

all such wiring or other customer-owned electrical equipment as may be necessary or convenient for the supply of electric service to customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, Company shall obtain the aforementioned consent.

The construction of electric facilities to provide service to a number of customers in a manner consistent with good engineering practice and the least public inconvenience sometimes requires that certain wires, guys, poles, or other appurtenances on a customer's premises be used to supply service to neighboring customers. Accordingly, each customer taking Company's electric service shall grant to Company such rights on or across his or her premises as may be necessary to furnish service to neighboring premises, such rights to be exercised by Company in a reasonable manner and with due regard for the convenience of the customer.

Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under Customer's application until a reasonable time after such permits are granted.

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**Date of Issue:**

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

## TERMS AND CONDITIONS

### Company Responsibilities

#### METERING

The electricity used will be measured by a meter or meters to be furnished and installed by Company at its expense and all bills will be calculated upon the registration of said meters. When service is supplied by Company at more than one delivery point on the same premises, each delivery point will be metered and billed separately on the rate applicable. Meters include all measuring instruments. Meters will be located outside whenever possible. Otherwise, meters will be located as near as possible to the service entrance and on the ground floor of the building, in a clean, dry, safe and easily accessible place, free from vibration, agreed to by Company.

#### POINT OF DELIVERY OF ELECTRICITY

The point of delivery of electrical energy supplied by Company shall be at the point, as designated by Company, where Company's facilities are connected with the facilities of Customer, irrespective of the location of the meter

#### EXTENSION OF SERVICE

The main transmission lines of Company, or branches thereof, will be extended to such points as provide sufficient load to justify such extensions or in lieu of sufficient load, Company may require such definite and written guarantees from a customer, or group of customers, in addition to any minimum payments required by the Tariff as may be necessary. This requirement may also be made covering the repayment, within a reasonable time, of the cost of tapping such existing lines for light or power service or both.

#### COMPANY'S EQUIPMENT AND INSTALLATION

Company will furnish, install, and maintain at its expense the necessary overhead service drop or service line required to deliver electricity at the voltage contracted for, to Customer's electric facilities.

Company will furnish, install, and maintain at its expense the necessary meter or meters. (The term meter as used here and elsewhere in these rules and regulations shall be considered to include all associated instruments and devices, such as current and potential transformers installed for the purpose of measuring deliveries of electricity to the customer.) Suitable provision for Company's meter, including an adequate protective enclosure for the same if required, shall be made by Customer. Title to the meter shall remain with Company, with the right to install, operate, maintain, and remove same. Customer shall protect such property of Company from loss or damage, and no one who is not an agent of Company shall be permitted to remove, damage, or tamper with the same. Customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to Customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish Company with realistic estimates of prospective electricity requirements.

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**Date of Issue:**

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

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**TERMS AND CONDITIONS**

**Company Responsibilities**

**COMPANY NOT LIABLE FOR INTERRUPTIONS**

Company will exercise reasonable care and diligence in an endeavor to supply service continuously and without interruption but does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay, or failure of electric service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of Company.

**COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES**

Company is merely a supplier of electricity delivered to the point of connection of Company's and Customer's facilities, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of Customer or of third persons resulting from the presence, use or abuse of electricity on Customer's premises or resulting from defects in or accidents to any of customer's wiring, equipment, apparatus, or appliances, or resulting from any cause whatsoever other than the negligence of Company

**LIABILITY**

In no event shall Company have any liability to Customer or any other party affected by the electrical service to Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to Customer or any other party. In the event that Customer's use of Company's service causes damage to Company's property or injuries to persons, Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold Company harmless from any and all suits, claims, losses, and expenses associated therewith.

**FIRM SERVICE**

Where a customer-generator supplies all or part of the customer-generator's own load and desires Company to provide supplemental or standby service for that load, the customer-generator must contract for such service under Company's Supplemental or Standby Service Rider, otherwise Company has no obligation to supply the non-firm service. This requirement does not apply to Net Metering Service (Rider NMS).





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## TERMS AND CONDITIONS

### Character of Service

Electric service, under the rate schedule herein, will be 60 cycle, alternating current delivered from Company's various load centers and distribution lines at typical nominal voltages and phases, as available in a given location, as follows:

#### SECONDARY VOLTAGES

Residential Service -

Single phase 120/240 volts three-wire service or 120/208Y volts three-wire service where network system is available.

Non-Residential Service -

- 1) Single phase 120/240 volts three-wire service or 120/208Y three-wire service where network system is available.
- 2) Three phase 240 volts three-wire, 480 volts three-wire service, 120/208Y volts four-wire service, or 277/480Y volts four-wire service.

#### PRIMARY VOLTAGES

According to location, 2400/4160Y volts, 7200/12,470Y volts, 13,800 volts, or 34,500 volts.

#### TRANSMISSION VOLTAGES

According to location, 69,000 volts, 138,000 volts, or 345,000 volts.

The voltage available to any individual customer shall depend upon the voltage of Company's lines serving the area in which such customer's electric load is located.

#### RESTRICTIONS

1. Except for minor loads, with approval of the Company, two-wire service is restricted to those customers on service July 1, 2004.
2. To be eligible for the rate applicable to any delivery voltage other than secondary voltage, a customer must furnish and maintain complete substation structure, transformers, and other equipment necessary to take service at the primary or transmission voltage available at point of connection.
  - a) In the event Company is required to provide transformation to reduce an available voltage to a lower voltage for delivery to Customer, Customer shall be served at the rate applicable to the lower voltage; provided, however, that if the same rate is applicable to both the available voltage and the delivery voltage, Customer may be required to make a non-refundable payment to reflect the additional investment required to provide service.
  - b) The available voltage shall be the voltage on that distribution or transmission line which the Company designates as being suitable from the standpoint of capacity and other operating characteristics for supplying the requirements of Customer.

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**Date of Issue:**

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

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## TERMS AND CONDITIONS

### Residential Rate Specific Terms and Conditions

Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances, and other domestic purposes.

1. Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, Company will require, as a condition precedent to the application of the residential rate, that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to Customer, Company will allow service to two or more families to be taken through one meter, but in this event the minimum bills of the applicable residential rate shall be multiplied by the number of families thus served, such number of families to be determined on the basis of the number of kitchens in the building. At Customer's option, in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to one customer at an appropriate non-residential rate.
2. Single family unit service shall include usage of electric energy customarily incidental to home occupations, such as the office of a physician, surgeon, dentist, musician or artist when such occupation is carried on by Customer in his residence.
3. A residential building used by a single family as a home, which is also used to accommodate roomers or boarders for compensation, will be billed at the residential rate provided it does not exceed twelve (12) rooms in size. Such a residential building of more than twelve (12) rooms used to accommodate roomers or borders for compensation will be classified as commercial and billed on the appropriate rate. In determining the room rating of rooming and boarding houses, all wired rooms shall be counted except hallways, vestibules, alcoves, closets, bathrooms, lavatories, garrets, attics, storage rooms, trunk rooms, basements, cellars, porches and private garages.
4. Service used in residential buildings occupied by fraternity or sorority organizations associated with educational institutions will be classified as residential and billed at the residential rate.
5. Where both residential and general or commercial classes of service are supplied through a single meter, such combined service shall be billed at the appropriate non-residential rate. Customer may arrange his wiring so as to separate the general service from the residential service, in which event two (2) meters will be installed by Company and separate residential and general service rates applied to the respective classes of service.
6. If Customer's barns, pump house or other outbuildings are located at such distance from his residence as to make it impracticable to supply service thereto through his residential meter, the separate meter required to measure service to such remotely located buildings will be considered a separate service contract and billed as a separate customer on the applicable non-residential rate.
7. Single-phase power service used for domestic purposes will be permitted under Residential Rate RS when measured through the residential meter subject to the conditions set forth below:

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 100.1

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## TERMS AND CONDITIONS

### Residential Rate Specific Terms and Conditions

- (a) Single-phase motors may be served at 120 volts if the locked-rotor current at rated voltage does not exceed 50 amperes. Motors with locked-rotor current ratings in excess of 50 amperes must be served at 240 volts.
- (b) Single-phase motors of new central residential cooling installations with total locked-rotor ratings of not to exceed 125 amperes (inclusive of any auxiliary motors arranged for simultaneous starting with the compressor) may be connected for across-the-line starting provided the available capacity of Company's electric distribution facilities at desired point of supply is such that, in Company's judgment, the starting of such motors will not result in excessive voltage dips and undue disturbance of lighting service and television reception of nearby electric customers. However, except with Company's express written consent, no new single-phase central residential cooling unit having a total lock-rotor rating in excess of 125 amperes inclusive of auxiliary motors arranged for simultaneous starting with the compressor) shall hereafter be connected to Company's lines, or be eligible for electric service therefrom, unless it is equipped with an approved type of current-limiting device for starting which will reduce the initial and incremental starting current inrush to a maximum of 100 amperes per step. Company shall be furnished with reasonable advance notice of any proposed central residential cooling installation.
- (c) In the case of multi-motored devices arranged for sequential starting of the motors, the above rules are considered to apply to the locked-rotor currents of the individual motors; if arranged for simultaneous starting of the motors, the rules apply to the sum of the locked-rotor currents of all motors so started.
- (d) Any motor or motors served through a separate meter will be billed as a separate customer.

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## TERMS AND CONDITIONS

### BILLING

#### METER READINGS AND BILLS

Each bill for utility service shall be issued in compliance with 807 KAR 5:006, Section 6.

All bills will be based upon meter readings made in accordance with Company's meter reading schedule. Company, except if prevented by reasons beyond its control, shall read customer meters at least quarterly, except that customer-read meters shall be read at least once during the calendar year.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read Customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, Customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's meter fails to register properly by reason of damage, accident, etc., Company shall have the right to estimate Customer's consumption during the period of failure on the basis of such factors as Customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where Company serves a customer with both electric and gas service at the same service location, Company will render a combined bill. Provided, however, a residential customer may request, and Company will render, separate bills under the following conditions: (1) Customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) Customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable at the office of Company during business hours, or at other locations designated by Company, within sixteen (16) business days (no less than twenty-two (22) calendar days) from date of rendition thereof. If full payment is not received by the due date of the bill, a late payment charge will be assessed on the current month's charges. Beginning October 1, 2010, residential customers who receive a pledge for or notice of low income energy assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received, nor will they be assessed or required to pay a late payment charge in any of the eleven (11) months following receipt of such pledge or notice. There will be no adverse credit impact on the customer's payment and credit record, including credit scoring, both internally and externally, and the account will not be considered delinquent for any purpose if the Company receives the customer's payment within fifteen days after the date on which the Company issues the customer's bill.

Failure to receive a bill does not exempt Customer from these provisions of Company's Terms and Conditions.

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## TERMS AND CONDITIONS

### BILLING

#### READING OF SEPARATE METERS NOT COMBINED

For billing purposes, each meter upon Customer's premises will be considered separately and readings of two or more meters will not be combined except where Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

#### CUSTOMER RATE ASSIGNMENT

If Customer takes service under a rate schedule the eligibility for which contains a minimum or maximum demand parameter (or both), Company will review Customer's demand and usage data at least once annually to determine the rate schedule under which Customer will take service until the next review and rate determination. Company will also conduct such a review and determination upon Customer's request. Company shall not be obligated to change Customer's rate determination based upon detection of a substantial deviation of Customer's demand or usage if, after consultation with Customer, Company determines in its sole discretion that such deviation is not indicative of Customer's likely long-term demand. Similarly, Company may assign Customer to a rate schedule for which Customer would not be eligible based solely on Customer's historical demand or usage, but Company may do so only as part of a review and rate determination that involves consulting with Customer about Customer's likely future demand, as well as Customer's special contract demand, if applicable.

Any such review and rate determination shall be deemed conclusively to be the correct rate determination for Customer for all purposes and for all periods until Company conducts the next such review and determination for Customer. Therefore, Company shall not be liable for any refunds to Customer based upon Customer's rate assignment, and Company shall not seek to back-bill Customer based upon Customer's rate assignment, for any periods between and including such reviews and determinations unless, and only in the event that, a particular review and rate determination are shown to have been materially erroneous at the time they were conducted, in which case Company may be liable for a refund, or may back-bill Customer, only for the period from the erroneous review and determination to the present or the next non-erroneous review and determination, whichever is shorter.

If Company determines during a review as described above that Customer is eligible to take service under more than one rate schedule and that Customer is then taking service under such a rate schedule, Company will not change Customer's rate assignment; it will remain Customer's responsibility to choose between optional rates, as stated in the Optional Rates section of Customer Responsibilities at Original Sheet Nos. 97 and 97.1.

If Company determines during a review as described above that Customer is eligible to take service under more than one rate schedule and that Customer is not then taking service under such a rate schedule, Company will (1) provide reasonable notice to Customer of the options available and (2) assign Customer to the rate schedule Company reasonably believes will be most financially beneficial to Customer based on Customer's historical demand and usage, which assignment Company will change upon Customer's request to take service under another rate schedule for which Customer is eligible. Company shall have no refund obligation or bear any other liability or responsibility for its initial assignment of Customer to a rate for

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 101.2

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## TERMS AND CONDITIONS

### BILLING

which Customer is eligible; it is at all times Customer's responsibility to choose between optional rates, as stated in the Optional Rates section of Customer Responsibilities at Original Sheet Nos. 97 and 97.1.

Nothing in this section is intended to curtail or diminish Customer's responsibility to choose among optional rates, as stated in the Optional Rates section of Customer Responsibilities at Original Sheet Nos. 97 and 97.1. Likewise, except as explicitly stated in the paragraph above, nothing in this section creates an obligation or responsibility for Company to assign Customer to a particular rate schedule for which Customer is eligible if Customer is eligible for more than one rate schedule.

### CUSTOMER RATE MIGRATION

A change from one rate to another will be effective with the first full billing period following a customer's request for such change, or with a rate change mandated by changes in a customer's load. In cases where a change from one rate to another necessitates a change in metering, the change from one rate to another will be effective with the first full billing period following the meter change.

### CLASSIFICATION OF CUSTOMERS

For purposes of rate application hereunder, non-residential customers will be considered "industrial" if they are primarily engaged in a process or processes which create or change raw or unfinished materials into another form or product, and/or in accordance with the North American Industry Classification System, Sections 21, 22, 31, 32 and 33. All other non-residential customers will be defined as "commercial."

### MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, Company will monitor the usage of each customer at least once annually. In addition, Company may investigate usage deviations brought to its attention as a result of its ongoing meter reading or billing processor customer inquiry. Should an unusual deviation in Customer's consumption be found which cannot be attributed to a readily identified cause, Company may perform a detailed analysis of Customer's meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, Company may contact Customer to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume. Where the deviation is not otherwise explained, Company will test Customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. Company will notify Customer of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5).

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# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 101.3

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## TERMS AND CONDITIONS

### BILLING

#### RESALE OF ELECTRIC ENERGY

Electric energy furnished under Company's standard application or contract is for the use of Customer only and Customer shall not resell such energy to any other person, firm, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other person, firm, or corporation provided the sum of such allocations does not exceed Company's billing.

#### MINIMUM CHARGE

Without limiting the foregoing, the Demand Charge shall be due regardless of any event or occurrence that might limit (a) Customer's ability or interest in operating Customer's facility, including but without limitation any acts of God, fires, floods, earthquakes, acts of government, terrorism, severe weather, riot, embargo, changes in law, or strikes or (b) Company's ability to serve customer.

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## TERMS AND CONDITIONS

### DEPOSITS

#### GENERAL

- 1) Company may require a cash deposit or other guaranty from customers to secure payment of bills in accordance with 807 KAR 5:006, Section 7 except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.
- 2) Deposits may be required from all customers not meeting satisfactory credit and payment criteria. Satisfactory credit for customers will be determined by utilizing independent credit sources (primarily utilized with new customers having no prior history with Company), as well as historic and ongoing payment and credit history with Company.
  - a) Examples of independent credit scoring resources include credit scoring services, public record financial information, financial scoring and modeling services, and information provided by independent credit/financial watch services.
  - b) Satisfactory payment criteria with Company may be established by paying all bills rendered, having no disconnections for nonpayment, having no late notices, having no defaulted credit arrangements, having no returned payments, having no meter diversion or theft of service
- 3) Company may offer residential or general service customers the option of paying all or a portion of their deposits in installments over a period not to exceed the first four (4) normal billing periods. Service may be refused or discontinued for failure to pay and/or maintain the requested deposit.
- 4) Interest on deposits will be calculated at the rate prescribed by law, from the date of deposit, and will be paid annually either by refund or credit to Customer's bills, except that no refund or credit will be made if Customer's bill is delinquent on the anniversary date of the deposit. If interest is paid or credited to Customer's bill prior to twelve (12) months from the date of deposit, the payment or credit will be on a prorated basis. Upon termination of service, the deposit, any principal amounts, and interest earned and owing will be credited to the final bill, with any remainder refunded to Customer.

#### RESIDENTIAL

- 1) Residential customers are those customers served under Residential Service, Sheet No. 5.
- 2) The deposit for a residential customer is in the amount of \$135.00, which is calculated in accordance with 807 KAR5:006, Section 7(1)(b). For combination gas and electric customers, the total deposit will be \$230.00.
- 3) Company shall retain Customer's deposit for a period not to exceed twelve (12) months, provided Customer has met satisfactory payment and credit criteria.
- 4) If a deposit is held longer than eighteen (18) months, the deposit will be recalculated, at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00, Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 5) If Customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 102.1

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## TERMS AND CONDITIONS

### Deposits

#### GENERAL SERVICE

- 1) General service customers are those customers served under General Service, Sheet No. 10.
- 2) The deposit for a general service customer is in the amount of \$220.00, which is calculated in accordance with 807 KAR5:006, Section 7(1)(b). The deposit for a General Service customer may be waived when the General Service delivery is to a detached building used in conjunction with a Residential Service and the General Service energy usage is no more than 300 kWh per month.
- 2) Company shall retain Customer's deposit as long as Customer remains on service.
- 3) For a deposit held longer than eighteen (18) months, the deposit will be recalculated, at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than ten percent (10%), Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 4) If Customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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#### OTHER SERVICE

- 1) The deposit for all other customers, those not classified herein as residential or general service, shall not exceed 2/12 of Customer's actual or estimated annual bill where bills are rendered monthly in accordance with 807 KAR5:006, Section 7(1)(a).
- 2) For customers not meeting the parameters of GENERAL SERVICE ¶ 2, above, Company may retain Customer's deposit as long as Customer remains on service.
- 3) For a deposit held longer than eighteen (18) months, the deposit will be recalculated, at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than ten percent (10%), Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 4) If Customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 103

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## TERMS AND CONDITIONS

### Budget Payment Plan

Company's Budget Payment Plan is available to any residential customer or general service customer. Under this plan, a customer may elect to pay, each billing period, a budgeted amount in lieu of billings for actual usage. A customer may enroll in the plan at any time.

The budgeted amount will be determined by Company, and will be based on one-twelfth of Customer's usage for either an actual or estimated twelve (12) months. The budgeted amount will be subject to review and adjustment by Company at any time during Customer's budget year. If actual usage indicates Customer's account will not be current with the final payment in Customer's budget year, Customer will be required to pay their Budget Payment Plan account to \$0 prior to the beginning of Customer's next budget year.

If Customer fails to pay bills as agreed under the Budget Payment Plan, Company reserves the right to remove Customer from the plan, restore the Customer to regular billing and require immediate payment of any deficiency. A customer removed from the Budget Payment Plan for non-payment may be prohibited from further participation in the plan for twelve (12) months.

Failure to receive a bill in no way exempts Customer from the provisions of these terms and conditions.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

TERMS AND CONDITIONS

Bill Format



Customer Service: 1-800-331-7370 (M-F, 7 a.m. to 7 p.m. ET)
Telephone Payments: 1-800-331-7370; press 1-2-2-3 (24 hours a day; \$2.95 fee)
Walk-in Center: Open Mon-Fri 8 a.m. to 5 p.m. ET
Online Customer Self-Service: www.lge-ku.com (24 hours a day)

Table with columns: DUE DATE, Pay This Amount. Values: 05/02/13, \$71.03

Late Payment Fees will be applied to current charges if the current amount due is not received in full by the payment due date on this bill even if payment arrangements have been made.

Table with columns: Averages for Billing Period, This Year, Last Year. Rows: Average Temperature, Number of Days Billed, Electric/kwh per day

ACCOUNT INFORMATION table containing Account Number, Name, Address, and Billing Cycle details.

BILLING SUMMARY table showing Previous Balance, Payments Received, Current Charges, and Total Amount Due.

ELECTRIC CHARGES table with multiple columns detailing Rate Type, Basic Service Charge, Energy Charge, DSM, Fuel Adjustment, Environmental Surcharge, Home Energy Assistance Fund Charge, Meter Reading Information, and Metered kwh Usage.

Please see reverse side for additional charges.

Customer Service 1-800-331-7370 and PLEASE RETURN THIS PORTION WITH YOUR PAYMENT table with columns for Account Number, Payment Due Date, Amount Due by Due Date, Amount Due After Due Date, Winter Help Donation, and Amount Enclosed.

Check here if plan(s) requested on back of stub

OFFICE USE ONLY: MRU1081170, G000000 P23.07 PF:Y eB:P



PO BOX 9001960 LOUISVILLE, KY 40290-1960

Service Address: 1234 Main St

#131900082 4# JOHN DOE 1234 MAIN ST LOUISVILLE KY 40028-8746

PRINTED ON RECYCLED PAPER No. 111118

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Date of Issue:
Date Effective: January 1, 2013
Issued By: Lonnie E. Bellar, Vice President, State Regulation and Rates, Louisville, Kentucky

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 104.1

## TERMS AND CONDITIONS

### Bill Format

Account Number 3000-1111-2222 Page 2

BILLING INFORMATION	
Late Charge to be Assessed After Due Date	\$2.14

IMPORTANT INFORMATION
<p>The power to save. It's in your hands. The amount of electricity you consumed during this billing cycle resulted in the production of approximately 1,556 pounds of CO<sub>2</sub> (carbon). A typical residential customer uses 1,000 kilowatt hours of electricity per month, which would result in the production of 2,000 lbs. of carbon. Visit our Web site at <a href="http://www.lge-ku.com">www.lge-ku.com</a> for Smart Saver tips designed to help you better manage and lessen the environmental impact of your energy usage.</p> <p>For a copy of your rate schedule, visit <a href="http://www.lge-ku.com">www.lge-ku.com</a> or call our Customer Service Department.</p> <p>If you use mail to submit your payment, please update your records to reflect the new address (located on the front of the bill stub) for our payment processing center. Remember, you can pay your bill on line when you sign in or register your account at <a href="http://my.lge-ku.com">my.lge-ku.com</a>.</p>

New enrollment only - Please check box(es) below and on front of stub.

- Budget Plan
- I would like to enroll in Demand Conservation
- Auto Pay (voided check must be provided). Please note that any past due balance on your LG&E account will be debited from your bank account immediately upon enrollment in the Auto Pay program. To avoid unintended debits to your bank account, please make sure your LG&E account balance is current before enrolling in Auto Pay.
- Please deduct my Auto Pay Payment from my Checking Account.  
I hereby authorize LG&E to debit my bank account for payment of my monthly bill. This authorization applies to all my current and future LG&E accounts, and will remain in effect until revoked by me or LG&E.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Processing Auto Pay requests can take up to two billing cycles. Please continue making regular payments until you receive a bill that indicates the amount due will be deducted from your bank account on the payment due date.

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 104.2

## TERMS AND CONDITIONS

### Bill Format



Customer Service: 1-800-331-7370 (M-F, 7 a.m. to 7 p.m. ET)  
 Telephone Payments: 1-800-331-7370; press 1-2-2-3  
 (24 hours a day; \$2.95 fee)  
 Walk-in Center Hours: Open Mon-Fri 8 a.m. to 5 p.m. ET  
 Online Customer Self-Service: [www.lge-ky.com](http://www.lge-ky.com) (24 hours a day)

Late Payment Fees will be applied to current charges if the current amount due is not received in full by the payment due date on this bill even if payment arrangements have been made. Please have your account number available when calling to discuss your account.

DATE DUE	AMOUNT DUE
05/02/13	\$124.18

Averages for Billing Period	This Year	Last Year
Average Temperature	83 °	54 °
Number of Days Billed	32	29
Electric/kwh per day	24.3	19.6
Gas/ccf per day	1.0	2.2

ACCOUNT INFORMATION	
Account Number:	3000-0216-5900-28
Account Name:	JOHN DOE
Service Address:	1234 ANYWHERE ST
Next Read Will Occur:	05/08/13 - 05/10/13
Date Bill Mailed:	04/11/13 (Meter Read Portion 07)

BILLING SUMMARY	
Previous Balance	102.30
Payment(s) as of 3/10 - 4/11	(102.30)
Balance as of 4/11	0.00
Electric Charges	71.30
Gas Charges	52.88
Utility Charges as of 04/11	124.18
Other Charges	
<b>Total Amount Due</b>	<b>124.18</b>

ELECTRIC CHARGES			
<b>Rate Type: Residential Electric Service</b>			
Basic Service Charge	8.50	<b>Meter Reading Information</b>	
Energy Charge (\$0.07242 x 778.00 kwh)	56.34	Meter # 70000	
Electric DSM (\$0.00287 x 778 kwh)	2.23	Actual Reading on 4/10/13	13124
Electric Fuel Adjustment (\$0.00472 x 778.00 kwh)	3.67	Previous Reading on 3/9/13	12346
Environmental Surcharge (0.560% x \$70.74)	0.40	Current kwh Usage	778
Home Energy Assistance Fund Charge	0.16	Meter Multiplier	1
<b>Total Electric Charges</b>	<b>\$71.30</b>	Metered kwh Usage	778

Please see reverse side for additional charges.

Customer Service 1-800-331-7370

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Account Number	Payment Due Date	Amount Due by Due Date	Amount Due After Due Date	Winter Help Donation	Amount Enclosed
3000-0216-5900-28	5/2/13	\$124.18	\$127.91	\$	\$

Check here if plan(s) requested on back of stub

OFFICE USE ONLY:  
 MRU1081170, G000000  
 P23.07  
 PF:Y eB:P



#131900082 48  
 JOHN DOE  
 1234 MAIN ST  
 LOUISVILLE KY 40026-9746

PO BOX 9001960  
 LOUISVILLE, KY 40290-1960

Service Address: 1234 Main St

PRINTED ON RECYCLED PAPER  
 No. 11/10/12

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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 104.3

## TERMS AND CONDITIONS

### Bill Format

Account Number 3000-0216-5900-28 Page 2

GAS CHARGES			
<b>Rate Type: Residential Gas Service</b>		<b>Meter Reading Information</b>	
Basic Service Charge	12.50	Meter # 45678	
Gas Distribution Charge (\$0.22396 x 35 ccf)	7.84	Actual Reading on 4/10/13	1922
Gas Supply Component (\$0.47423 x 35 ccf)	16.60	Previous Reading on 3/9/13	1887
Weather Normalization Adjustment (\$0.22396 x 58.850 ccf)	13.18	<b>Current ccf Usage</b>	<b>35</b>
Gas DSM (\$0.01709 x 35.00 ccf)	0.60	Meter Multiplier	1
Gas Line Tracker	2.00	<b>Metered ccf Usage</b>	<b>35</b>
Home Energy Assistance Fund Charge	0.16		
<b>Total Gas Charges</b>	<b>\$52.88</b>		

BILLING INFORMATION	
Late Charge to be Assessed After Due Date	\$3.73

IMPORTANT INFORMATION
<p><b>The power to save. It's in your hands.</b> The amount of electricity you consumed during this billing cycle resulted in the production of approximately 1,556 pounds of CO2 (carbon). A typical residential customer uses 1,000 kilowatt hours of electricity per month, which would result in the production of 2,000 lbs. of carbon. Visit our Web site at <a href="http://www.lge-ku.com">www.lge-ku.com</a> for Smart Saver tips designed to help you better manage and lessen the environmental impact of your energy usage.</p> <p>For a copy of your rate schedule, visit <a href="http://www.lge-ku.com">www.lge-ku.com</a> or call our Customer Service Department.</p> <p>If you use mail to submit your payment, please update your records to reflect the new address (located on the front of the bill stub) for our payment processing center. Remember, you can pay your bill on line when you sign in or register your account at <a href="http://my.lge-ku.com">my.lge-ku.com</a>.</p>

New enrollment only - Please check box(es) below and on front of stub.

- Budget Plan
- I would like to enroll in Demand Conservation
- Auto Pay (voided check must be provided). Please note that any past due balance on your LG&E account will be debited from your bank account immediately upon enrollment in the Auto Pay program. To avoid unintended debits to your bank account, please make sure your LG&E account balance is current before enrolling in Auto Pay.

**Please deduct my Auto Pay Payment from my Checking Account.**  
I hereby authorize LG&E to debit my bank account for payment of my monthly bill. This authorization applies to all my current and future LG&E accounts, and will remain in effect until revoked by me or LG&E.

Signature: \_\_\_\_\_

Date of Issue:

Date Effective: January 1, 2013

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

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## TERMS AND CONDITIONS

### Discontinuance of Service

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, Company shall have the right to refuse or discontinue service to an applicant or customer under the following conditions:

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce Customer to comply with its rules and then only after Customer has been given at least ten (10) days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given fifteen (15) days written notice of Company's intention to discontinue or refuse service.
- D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. Service will not be supplied to any premises if the applicant or customer is indebted to Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Service will not be continued to any premises if the applicant or customer is indebted to Company for service previously supplied at the same premises in accordance with 807 KAR 5:006, Section 14(1)(f). Unpaid balances of previously rendered Final Bills may be transferred to any account for which the customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred. When there is no lapse in service, such transferred final bills will be subject to Company's collections and disconnect procedures in accordance with 807 KAR 5:006, Section 14(1)(f). Final Bills transferred following a lapse in service will not be subject to disconnection unless: (1) such service was provided pursuant to a fraudulent application submitted by Customer; (2) Customer and Company have entered into a contractual agreement which allows for such a disconnection; or (3) the current account is subsequently disconnected for service supplied at that point of delivery, at which time, all unpaid and past due balances must be paid prior to reconnect. Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 105.1

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## TERMS AND CONDITIONS

### Discontinuance of Service

Service will not be supplied or continued to any premises if at the time of application for service the applicant is merely acting as an agent of a person or former customer who is indebted to Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where the applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.

- H. For non-payment of bills. Company shall have the right to discontinue service for non-payment of bills after Customer has been given at least ten days written notice separate from his original bill. Cut-off may be effected not less than twenty-seven (27) days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than thirty (30) days from the original date of discontinuance. Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.
- I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without notice. Within twenty-four (24) hours after such termination, Company shall send written notification to Customer of the reasons for such discontinuance of service and of Customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. Company shall not be required to restore service until Customer has complied with all rules of Company and regulations of the Commission and Company has been reimbursed for the estimated amount of the service rendered and the cost to Company incurred by reason of the fraudulent use.

When service has been discontinued for any of the above reasons, Company shall not be responsible for any damage that may result therefrom.

Discontinuance or refusal of service shall be in addition to, and not in lieu of, any other rights or remedies available to Company.

Company may defer written notice based on Customer's payment history provided Company continues to provide the required ten (10) days written notice prior to discontinuance of service.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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



## TERMS AND CONDITIONS

### Line Extension Plan

#### A. AVAILABILITY

In all territory served by where Company does not have existing facilities to meet Customer's electric service needs.

#### B. DEFINITIONS

- 1) "Company" shall mean Louisville Gas and Electric Company.
- 2) "Customer" shall mean the applicant for service. When more than one electric service is requested by an applicant on the same extension, such request shall be considered one customer under this plan when the additional service request(s) is only for incidental or minor convenience loads or when the applicant for service is the developer of a subdivision.
- 3) "Line Extension" shall mean the single phase facilities required to serve Customer by the shortest route most convenient to Company from the nearest existing adequate Company facilities to Customer's delivery point, approved by Company, and excluding transformers, service drop, and meters, if required and normally provided to like customers.
- 4) "Permanent Service" shall mean service contracted for under the terms of the applicable rate schedule but not less than one year and where the intended use is not seasonal, intermittent, or speculative in nature.
- 5) "Commission" shall mean the Public Service Commission of Kentucky.

#### C. GENERAL

- 1) All extensions of service will be made through the use of overhead facilities except as provided in these rules.
- 2) Customer requesting service which requires an extension(s) shall furnish to Company, at no cost, properly executed easement(s) for right-of-way across Customer's property to be served.
- 3) Customer requesting extension of service into a subdivision, subject to the jurisdiction of a public commission, board, committee, or other agency with authority to zone or otherwise regulate land use in the area and require a plat (or Plan) of the subdivision, Customer shall furnish, at no cost, Company with the plat (or plan) showing street and lot locations with utility easement and required restrictions. Plats (or plans) supplied shall have received final approval of the regulating body and recorded in the office of the appropriate County Court Clerk when required. Should no regulating body exist for the area into which service is to be extended, Customer shall furnish Company the required easement.
- 4) The title to all extensions, rights-of way, permits, and easements shall be and remain with Company.
- 5) Where Company is required or elects to construct an additional extension or lateral to serve Customer or another customer, Company reserves the right to connect to any extension constructed under this plan and Customer shall grant to Company, at no cost, properly executed easement(s) for right-of-way across Customer's property for the additional extension or lateral.
- 6) Customer must agree in writing to take service when the extension is completed and have his building or other permanent facility wired and ready for connection.
- 7) Nothing herein shall be construed as preventing Company from making electric line extensions under more favorable terms than herein prescribed provided the potential revenue is of such amount and permanency as to warrant such terms and render economically

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

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## TERMS AND CONDITIONS

### Line Extension Plan

#### C. GENERAL (continued)

feasible the capital expenditure involved and provided such extensions are made to other customers under similar conditions.

- 8) Company may require a non-refundable deposit in cases where Customer does not have a real need or in cases where the estimated revenue does not justify the investment.
- 9) The Company shall not be obligated to extend its lines in cases where such extensions, in the good judgment of Company, would be infeasible, impractical, or contrary to good engineering or operating practice, unless otherwise ordered by Commission.

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#### D. NORMAL LINE EXTENSIONS

- 1) In accordance with 807 KAR 5:041, Section 11(1), Company will provide, at no cost, a line extension of up to 1,000 feet to Customer requesting permanent service where the installed transformer capacity does not exceed 25kVA.
- 2) Where Customer requires poly-phase service or transformer capacity in excess of 25kVA and Company provides such facilities, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost to Company in providing facilities above that required in NORMAL LINE EXTENSIONS ¶ 1 above.

#### E. OTHER LINE EXTENSIONS

- 1) In accordance with 807 KAR 5:041, Section 11(2), Company shall provide to Customer requesting permanent service a line extension in excess of 1,000 feet per customer but Company may require the total cost of the footage in excess of 1,000 feet per customer, based on the average cost per foot of the total extension, be deposited with Company by Customer.
- 2) Each year for ten (10) years Company shall refund to Customer, who made the deposit for excess footage, the cost of 1,000 feet of extension for each additional customer connected during that year directly to the original extension for which the deposit was made.
- 3) Each year for ten (10) years Company shall refund to Customer, who made the deposit for excess footage, the cost of 1,000 feet of extension less the length of the lateral or extension for each additional customer connected during that year by a lateral or extension to the original extension for which the deposit was made.
- 4) No refund shall be made for additional customers connected to an extension or lateral from the original extension for which the deposit was made.
- 5) The total amount refunded shall not exceed the amount originally deposited nor shall any refund be made after the ten (10) year refund period ends.
- 6) Where Customer requires poly-phase service or transformer capacity above 25kVA per customer and Company provides such facilities, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost to Company in providing facilities above that required in OTHER LINE EXTENSIONS ¶ 1 above.

#### F. OVERHEAD LINE EXTENSIONS FOR SUBDIVISIONS

- 1) In accordance with 807 KAR 5:041, Section 11(3), Customer desiring service extended for and through a subdivision may be required by Company to deposit the total cost of the extension.
- 2) Each year for ten (10) years Company shall refund to Customer, the cost of 1,000 feet of extension for each additional customer connected during that year directly to the original extension for which the deposit was made.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

## TERMS AND CONDITIONS

### Line Extension Plan

- 3) The total amount refunded shall not exceed the amount originally deposited nor shall any refund be made after the ten-year refund period ends.

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### G. MOBILE HOME LINE EXTENSIONS

- 1) Company will make line extensions for service to mobile homes in accordance with 807 KAR 5:041, Section 12, and Commission's Order, dated August 9, 1991, in Case No. 91-213,
- 2) Company shall provide, at no cost, a line extension of up to 300 feet to Customer requesting permanent service for a mobile home.
- 3) Company shall provide to Customer requesting permanent service for a mobile home a line extension in excess of 300 feet and up to 1,000 feet but Company may require the total cost of the footage in excess of 300 feet, based on the average cost per foot of the total extension, be deposited with Company by Customer. Beyond 1,000 feet the policies set forth in OTHER LINE EXTENSIONS shall apply.
- 4) Each year for four (4) years Company shall refund to Customer equal amounts of the deposit for the extension from 300 feet to 1,000 feet.
- 5) If service is disconnected for sixty (60) days, if the original mobile home is removed and not replaced by another mobile home or a permanent structure in sixty (60) days, the remainder of the deposit is forfeited.
- 6) No refund will be made except to the original customer.

### H. UNDERGROUND LINE EXTENSIONS

#### General

- 1) Company will make underground line extensions for service to new residential customers and subdivisions in accordance with 807 KAR 5:041, Section 21.
- 2) In order that Company may make timely provision for materials, and supplies, Company may require Customer to execute a contract for an underground extension under these Terms and Conditions with Company at least six (6) months prior to the anticipated date service is needed and Company may require Customer to deposit with Company at least 10% of any amounts due under the contract at the time of execution. Customer shall deposit the balance of any amounts due under the contract with Company prior to ordering materials or commencement of actual construction by Company of facilities covered by the contract.
- 3) Customer shall give Company at least 120 days written notice prior to the anticipated date service is needed and Company will undertake to complete installation of its facilities at least thirty (30) days prior to that date. However, nothing herein shall be interpreted to require Company to extend service to portions of subdivisions not under active development.
- 4) At Company's discretion, Customer may perform a work contribution, to Company's specifications, including but not limited to conduit, setting pads, or any required trenching and backfilling, and Company shall credit amounts due from Customer for underground service by Company's estimated cost for such work contribution.
- 5) Customer will provide, own, operate and maintain all electric facilities on his side of the point of delivery including the service and with the exception of Company's meter.
- 6) The normal point of delivery shall be at a junction device at the corner of the lot nearest Company's facilities. Customer shall bring Customer's service line to a point within 1 1/2 feet of the junction device with a sufficient length of service conductor left coiled above grade for completion of installation and connection by Company.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Line Extension Plan

#### H. UNDERGROUND EXTENSIONS

##### General (continued)

- 7) In consideration of Customer's underground service, Company shall credit any amounts due under the contract for each service at the rate of \$50.00 or Company's average estimated installed cost for an overhead service whichever is greater.
- 8) Unit charges, where specified herein, are determined from Company's estimate of Company's average unit cost of such construction and the estimated cost differential between underground and overhead distribution systems in representative residential subdivisions.
- 9) Three phase primary required to supply either individual loads or the local distribution system may be overhead unless Customer chooses underground construction and deposits with Company a non-refundable deposit for the cost differential.

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##### Individual Premises

- 1) Within the City of Louisville underground district or in those cases where Company's engineering or operating convenience requires the construction of an underground extension to an individual premise, the excess of the cost of an underground extension over that of an overhead extension will be at no cost.
- 2) In cases other than those specified in 1) above, where Customer requests and Company agrees to supply underground service to an individual premise, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity.

##### Medium Density Subdivisions

- 1) A medium density residential subdivision is defined as containing ten or more lots for the construction of new residential buildings each designed for less than five (5)-family occupancy.
- 2) Customer shall provide any required trenching and backfilling or at Company's discretion be required to deposit with Company a non-refundable amount determined by a unit charge of \$6.15 per aggregate lot front-foot along all streets contiguous to the lots to be served through an underground extension.
- 3) The Customer may be required to advance to the Company the Company's full estimated cost of construction of an underground electric distribution extension. Where Customer is required to provide trenching and backfilling, advance will be the Company's full estimate cost of construction. Where Customer is required to deposit with the Company a non-refundable advance in place of trenching and backfilling, advance will be determined by a unit charge of \$18.66 per aggregate lot front-foot along all streets contiguous to the lots to be served through an underground extension.
- 4) Each year for ten (10) years Company shall refund to Customer an amount determined as follows:
  - a. Where customer is required to provide trenching and backfilling, a refund of \$5,000 for each customer connected during that year.
  - b. Where customer is required to provide a non-refundable advance, 500 times the difference in the unit charge advance amount in 3) and the non-refundable unit charge advance in 2) for each customer connected during that year.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Line Extension Plan

#### H. UNDERGROUND EXTENSIONS (continued)

- 5) In no case shall the refunds provided for herein exceed the amounts deposited less any non-refundable charges applicable to the project nor shall any refund be made after a ten-year refund period ends.

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#### High Density Subdivisions

- 1) A high density residential subdivision is defined as building complexes consisting of two or more buildings each not more than three stories above grade and each designed for five (5) or more family occupancy.
- 2) Customer shall provide any required trenching and backfilling or at Company's discretion be required to deposit with Company a non-refundable amount for the additional cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity.
- 3) The Customer may be required to advance to the Company the Company's full estimated cost of construction of an underground electric distribution extension.
  - i. Company shall refund to Customer any amounts due when permanent service is provided by Company to twenty (20%) percent of the family units in Customer's project.
  - ii. In no case shall the refunds provided for herein exceed the amounts deposited less any non-refundable charges applicable to the project nor shall any refund be made after a ten-year refund period ends.

#### Other Underground Subdivisions

In cases where a particular residential subdivision does not meet the conditions provided for above, Customer requests and Company agrees to supply underground service, Company may require Customer to pay, in advance, a non-refundable amount for the additional cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity.

#### I. SPECIAL CASES

- 1) Where Customer requests service that is seasonal, intermittent, speculative in nature, at voltages of 34.5kV or greater, or where the facilities requested by Customer do not meet the Terms and Conditions outlines in previous sections of LINE EXTENSION PLAN and the anticipated revenues do not justify the Company's installing facilities required to meet Customer's needs, Company may request that Customer deposit with Company a refundable amount to justify Company's investment.
- 2) Each year for ten (10) years, Company shall refund to Customer, an amount calculated by:
  - a. Adding the sum of Customer's annual base rate monthly electric demand billing for that year to the sum of the annual base rate monthly electric demand billing of the monthly electric billing for that year of any customer(s), who connects directly to the facilities provided for in this agreement and requiring no further investment by Company
  - b. times the refundable amount divided by the estimated total ten-year base rate electric demand billing required to justify the investment.
- 3) The total amount refunded shall not exceed the amount originally deposited nor shall any refund be made after the ten-year refund period ends.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Energy Curtailment and Service Restoration Procedures

#### PURPOSE

To provide procedures for reducing the consumption of electric energy on the Louisville Gas and Electric Company ("Company") system in the event of a capacity shortage and to restore service following an outage. Notwithstanding any provisions of these Energy Curtailment and Service Restoration Procedures, Company shall have the right to take whatever steps, with or without notice and without liability on Company's part, that Company believes necessary, in whatever order consistent with good utility practices and not on an unduly discriminatory basis, to preserve system integrity and to prevent the collapse of Company's electric system or interconnected electric network or to restore service following an outage. Such actions will be taken giving priority to maintaining service to Company's retail and full requirements customers relative to other sales whenever feasible and as allowed by law.

#### ENERGY CURTAILMENT PROCEDURE

##### PRIORITY LEVELS

For the purpose of these procedures, the following Priority Levels have been established:

- I. Essential Health and Safety Uses -- to be given special consideration in these procedures shall, insofar as the situation permits, include the following types of use
  - A. "Hospitals", which shall be limited to institutions providing medical care to patients.
  - B. "Life Support Equipment", which shall be limited to kidney machines, respirators, and similar equipment used to sustain the life of a person.
  - C. "Police Stations and Government Detention Institutions", which shall be limited to essential uses required for police activities and the operation of facilities used for the detention of persons.
  - D. "Fire Stations", which shall be limited to facilities housing mobile fire-fighting apparatus.
  - E. "Communication Services", which shall be limited to essential uses required for telephone, telegraph, television, radio and newspaper operations, and operation of state and local emergency services.
  - F. "Water and Sewage Services", which shall be limited to essential uses required for the supply of water to a community, flood pumping and sewage disposal.
  - G. "Transportation and Defense-related Services", which shall be limited to essential uses required for the operation, guidance control and navigation of air, rail and mass transit systems, including those uses essential to the national defense and operation of state and local emergency services. These uses shall include essential street, highway and signal-lighting services.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

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## TERMS AND CONDITIONS

### Energy Curtailment and Service Restoration Procedures

Although, when practical, these types of uses will be given special consideration when implementing the manual load-shedding provisions of this program, any customer may be affected by rotating or unplanned outages and should install emergency generation equipment if continuity of service is essential. Where the emergency is system-wide in nature, consideration will be given to the use of rotating outages as operationally practicable. In case of customers supplied from two utility sources, only one source will be given special consideration. Also, any other customers who, in their opinion, have critical equipment should install emergency generation equipment.

Company maintains lists of customers with life support equipment and other critical needs for the purpose of curtailments and service restorations. Company, lacking knowledge of changes that may occur at any time in Customer's equipment, operation, and backup resources, does not assume the responsibility of identifying customers with priority needs. It shall, therefore, be Customer's responsibility to notify Company if Customer has critical needs.

- II. Critical Commercial and Industrial Uses -- Except as described in Section III below, these uses shall include commercial or industrial operations requiring regimented shutdowns to prevent conditions hazardous to the general population, and to energy utilities and their support facilities critical to the production, transportation, and distribution of service to the general population. Company shall maintain a list of such customers for the purpose of curtailments and service restoration.
- III. Residential Use -- The priority of residential use during certain weather conditions (for example severe winter weather) will receive precedence over critical commercial and industrial uses. The availability of Company service personnel and the circumstances associated with the outage will also be considered in the restoration of service.
- IV. Non-critical commercial and industrial uses.
- V. Nonessential Uses -- The following and similar types of uses of electric energy shall be considered nonessential for all customers:
  - A. Outdoor flood and advertising lighting, except for the minimum level to protect life and property, and a single illuminated sign identifying commercial facilities when operating after dark.
  - B. General interior lighting levels greater than minimum functional levels.
  - C. Show-window and display lighting.
  - D. Parking-lot lighting above minimum functional levels.
  - E. Energy use to lower the temperature below 78 degrees during operation of cooling equipment and above 65 degrees during operation of heating equipment.
  - F. Elevator and escalator use in excess of the minimum necessary for non-peak hours of use.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

# Louisville Gas and Electric Company

P.S.C. Electric No. 9, Original Sheet No. 107.2

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## TERMS AND CONDITIONS

### Energy Curtailment and Service Restoration Procedures

- G. Energy use greater than that which is the minimum required for lighting, heating, or cooling of commercial or industrial facilities for maintenance cleaning or business-related activities during non-business hours.

Non-jurisdictional customers will be treated in a manner consistent with the curtailment procedures contained in the service agreement between the parties or the applicable tariff.

### CURTAILMENT PROCEDURES

In the event Company's load exceeds internal generation, transmission, or distribution capacity, or other system disturbances exist, and internal efforts have failed to alleviate the problem, including emergency energy purchases, the following steps may be taken, individually or in combination, in the order necessary as time permits:

1. Customers having their own internal generation capacity will be curtailed, and customers on curtailable contracts will be curtailed for the maximum hours and load allowable under their contract. Nothing in this procedure shall limit Company's rights under the Curtailable Service Rider tariff.
2. Power output will be maximized at Company's generating units.
3. Company use of energy at its generating stations will be reduced to a minimum.
4. Company's use of electric energy in the operation of its offices and other facilities will be reduced to a minimum.
5. The Kentucky Public Service Commission will be advised of the situation.
6. An appeal will be made to customers through the news media and/or personal contact to voluntarily curtail as much load as possible. The appeal will emphasize the defined priority levels as set forth above.
7. Customers will be advised through the use of the news media and personal contact that load interruption is imminent.
8. Implement procedures for interruption of selected distribution circuits.

### **SERVICE RESTORATION PROCEDURES**

Where practical, priority uses will be considered in restoring service and service will be restored in the order I through IV as defined under PRIORITY LEVELS. However, because of the varieties of unpredictable circumstances which may exist or precipitate outages, it may be necessary to balance specific individual needs with infrastructure needs that affect a larger population. When practical, Company will attempt to provide estimates of repair times to aid customers in assessing the need for alternative power sources and temporary relocations.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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



**Settlement Agreement Exhibit 6**  
**LG&E Gas Tariffs**

P.S.C. Gas No. 9  
Canceling P.S.C. Gas No. 8

**Louisville Gas and Electric Company**  
220 West Main Street  
Louisville, Kentucky

Rates, Terms and Conditions for Furnishing

**NATURAL GAS SERVICE**

In the seventeen counties of the Louisville, Kentucky, metropolitan area  
as depicted on territorial maps as filed with the

**PUBLIC SERVICE COMMISSION  
OF KENTUCKY**

**Date of Issue**

**Date Effective**  
**January 1, 2013**

**Issued by**  
**Lonnie E. Bellar, Vice President**  
**State Regulation and Rates**

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 1

## GENERAL INDEX Standard Gas Rate Schedules – Terms and Conditions

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VFD Volunteer Fire Department Service	7	01-01-13	
CGS Firm Commercial Gas Service	10	01-01-13	
IGS Firm Industrial Gas Service	15	01-01-13	
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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 1.1

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## GENERAL INDEX Standard Gas Rate Schedules – Terms and Conditions

<u>Title</u>	<u>Sheet Number</u>	<u>Effective Date</u>	
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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 5

Standard Rate

RGS  
Residential Gas Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Applicable to firm natural gas sales service to residential customers for all domestic purposes in private residences, single occupancy apartments, and common-use areas of multi-purpose occupancy buildings when supplied at a single point of delivery and where distribution mains are adjacent to the premises to be served. Such customers also include tenants billed for natural gas consumption or use by other tenants at the same premises that are metered separately.

The term "residential" customers shall include customers using gas in a single-family residential dwelling or unit for space-heating, air conditioning, cooking, water-heating, incineration, refrigeration, laundry drying, lighting, incidental heating, or other domestic purposes, including the use of gas in standby electric generation in domestic applications. If an additional separate point of delivery is requested by a residential customer to provide gas for use in standby electric generation, customer shall be served under Standard Rate DGGS.

All existing and future installations of equipment for the purpose of providing gas for use in standby electric generation shall be reported by the Customer (or the Customer's Representative) to the Company in conjunction with the "Notice to Company of Changes in Customer's Load" set out in the Customer Responsibilities section of the Terms and Conditions of the Company's Tariff. Additionally, service for gas for use in standby electric generation shall be subject to the availability of adequate capacity on Company's gas system to perform such service without detriment to its other Customers.

## RATE

Basic Service Charge:	\$13.50 per delivery point per month
Plus a Charge Per 100 Cubic Feet:	
Distribution Cost Component	\$ 0.26419
Gas Supply Cost Component	<u>\$ 0.42501</u>
Total Gas Charge Per 100 Cubic Feet	\$ 0.68920

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.

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 5.1

Standard Rate

**RGS**  
**Residential Gas Service**

## ADJUSTMENT CLAUSES

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

Gas Line Tracker	Sheet No. 84
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 Program	Sheet No. 92

## MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges. Beginning October 1, 2010, residential customers who receive a pledge for or notice of low income energy assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received, nor will they be assessed or required to pay a late payment charge in any of the eleven (11) months following receipt of such pledge or notice.

## TERMS AND CONDITIONS

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

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 7

## 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. If an additional separate point of delivery is requested by a volunteer fire department qualifying for aid under KRS 95A.262 to provide gas for use in standby electric generation, customer shall be served under Standard Rate DGGS. T

### 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

Basic Service Charge: \$13.50 per delivery point per month I

Plus a Charge Per 100 Cubic Feet:

Distribution Cost Component \$ 0.26419 I

Gas Supply Cost Component \$ 0.42501 I

Total Gas Charge Per 100 Cubic Feet \$ 0.68920 I

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:

Gas Line Tracker	Sheet No. 84	T
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 Basic Service Charge shall be the minimum charge.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. T  
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### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges. T/R

### TERMS AND CONDITIONS

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

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 10

Standard Rate

CGS  
Firm Commercial Gas Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Applicable to firm natural gas sales service to customers engaged in commercial activities such as apartment buildings, rooming and boarding dwellings, residential hotels, multi-family row housing, duplexes, other situations where gas is supplied to consumers in two or more dwelling units designed for the primary purposes of residences, and other commercial activities when supplied at a single point of delivery and where distribution mains are adjacent to the premises to be served.

Combination commercial and residential accounts shall be considered commercial if usage for commercial purposes is half or more than half of the total service over the course of a year.

The term "commercial" customers shall include customers using gas in activities related to warehousing, distributing, or selling commodities, providing professional services, wholesale and retail stores, offices, office buildings, hotels, retail bakeries, hospitals, schools, churches, religious or charitable institutions, governmental agencies, other institutions or the like (including local, state, and federal governmental agencies) and for uses other than those involved in manufacturing. Applications related to the use of gas in standby or other electric generation in commercial applications shall not be served under this rate schedule unless (1) such facilities were installed and operating under this Standard Rate CGS before ninety (90) days after August 1, 2010, or (2) such facilities have a total connected load of less than 2,000 cubic feet per hour and are not for the generation of electricity for further distribution, for sale in the open market, or for any purpose other than to provide Customer with standby electric supplies during emergency situations.

All existing and future installations of equipment for the purpose of providing gas for use in standby electric generation shall be reported by the Customer (or the Customer's Representative) to the Company in conjunction with the "Notice to Company of Changes in Customer's Load" set out in the Customer Responsibilities section of the Terms and Conditions of the Company's Tariff. Additionally, service for gas for use in standby electric generation shall be subject to the availability of adequate capacity on Company's gas system to perform such service without detriment to its other Customers.

Service to Customer at multiple delivery points for the purpose of avoiding the threshold of 2,000 cubic feet per hour under Rate DGGG shall not be permitted.

This schedule is also applicable to natural gas service for street lighting to such entities as certificated homeowners associations, businesses, and local, state, and federal governmental agencies.

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Date of Issue:

Date Effective: January 1, 2013

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



# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 10.1

## Standard Rate

## CGS Firm Commercial Gas Service

### RATE

#### Basic Service Charge:

If all of the customer's meters  
have a capacity < 5000 cf/hr:

\$ 35.00 per delivery point per month

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If any of the customer's meters  
have a capacity ≥ 5000 cf/hr:

\$175.00 per delivery point per month

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#### Plus a Charge Per 100 Cubic Feet:

Distribution Cost Component

\$ 0.20999

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T/I

Gas Supply Cost Component

0.42501

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T/I

Total Charge Per 100 Cubic Feet

\$ 0.63500

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.

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#### 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:

Gas Line Tracker

Sheet No. 84

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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 Basic Service Charge shall be the minimum charge.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

T/R

### TERMS AND CONDITIONS

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

**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 15

Standard Rate

IGS  
Firm Industrial Gas Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Applicable to firm natural gas sales service to customers engaged in industrial activities that involve manufacturing or other activities that process, create or change raw or unfinished materials into another form or product when supplied at a single point of delivery and where distribution mains are adjacent to the premises to be served.

Combination industrial and commercial accounts shall be considered industrial if usage for industrial purposes is half or more than half of the total service over the course of a year.

The term "industrial" customers shall include customers involved in activities using gas primarily in a process or processes which either involve the extraction of raw materials from the earth, or a change of raw or unfinished materials into another form or product through the application of heat or heat treating, steam agitation, evaporation, baking, extraction, drying, distilling, asphalt production, and for other similar uses. Applications related to the use of gas in standby or other electric generation in industrial applications shall not be served under this rate schedule unless (1) such facilities were installed and operating under this Standard Rate IGS before ninety (90) days after August 1, 2010, or (2) such facilities have a total connected load of less than 2,000 cubic feet per hour and are not for the generation of electricity for further distribution, for sale in the open market, or for any purpose other than to provide Customer with standby electric supplies during emergency situations.

All existing and future installations of equipment for the purpose of providing gas for use in standby electric generation shall be reported by the Customer (or the Customer's Representative) to the Company in conjunction with the "Notice to Company of Changes in Customer's Load" set out in the Customer Responsibilities section of the Terms and Conditions of the Company's Tariff. Additionally, Service for gas for use in standby electric generation shall be subject to the availability of adequate capacity on Company's gas system to perform such service without detriment to its other Customers.

Service to Customer at multiple delivery points for the purpose of avoiding the threshold of 2,000 cubic feet per hour under Rate DGGG shall not be permitted.

## RATE

Basic Service Charge:

If all of the customer's meters  
have a capacity < 5000 cf/hr: \$ 35.00 per delivery point per month

If any of the customer's meters  
have a capacity ≥ 5000 cf/hr: \$175.00 per delivery point per month

Plus a Charge Per 100 Cubic Feet:

Distribution Cost Component \$ 0.21452

Gas Supply Cost Component \$ 0.42501

Total Charge Per 100 Cubic Feet \$ 0.63953

Date of Issue:

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 15.1

Standard Rate

## IGS Firm Industrial Gas Service

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.

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### ADJUSTMENT CLAUSES

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

Gas Line Tracker	Sheet No. 84
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
Franchise Fee and Local Tax	Sheet No. 90
School Tax	Sheet No. 91

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### MINIMUM CHARGE

The Basic Service Charge shall be the minimum charge.

### DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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### LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 3% late payment charge will be assessed on the current month's charges.

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### TERMS AND CONDITIONS

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

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 20

Standard Rate

**AAGS**  
**As-Available Gas Service**

## **APPLICABLE**

In all territory served.

## **AVAILABILITY OF SERVICE**

This rate schedule is designed to make available to commercial and industrial customers quantities of natural gas that Company may from time to time have available for sale without impairment of service to customers served under other higher priority rate schedules, and which can be supplied from Company's existing distribution system, subject to the special conditions hereinafter set forth.

This rate shall not be available for gas loads which are predominantly space heating in character. In order to ensure that this rate schedule shall not be available for loads which are predominantly space heating in character and which do not consume substantial quantities of gas throughout the year, customers served hereunder shall be required to consume, when gas is available, at least 50 Mcf each day during each billing cycle at each individual Delivery Point.

Customers served under Rate G-6 and Rate G-7 as of the first effective date of this Rate AAGS shall have the right to elect service under Rate AAGS, Rate CGS, or Rate IGS. Such Customers that elect to transfer from either Rate G-6 or Rate G-7 to service under Rate AAGS may do so without complying with the requirement set forth above that customers served hereunder shall be required to consume, when gas is available, at least 50 Mcf each day during each billing cycle at each individual Delivery Point. Customers not electing service under either Rate CGS or Rate IGS shall receive service hereunder upon the first effective date hereof, irrespective of the November 1 start-date set forth in "Contract-Term" below.

## **COMPANY NOT OBLIGATED TO CONTINUE SERVICE**

Company shall have the right to discontinue the supply of natural gas wholly or in part for such period or periods as, in the sole judgment of Company, may be necessary or advisable to enable it to supply the full gas requirements of its customers served under higher priority rate schedules. Nothing herein shall prevent Company from expanding its obligations under such other rate schedules. Company may decline to accept any additional contracts for service hereunder.

## **CONTRACT TERM**

Customers served under Rate AAGS shall enter a written contract with Company more fully described in the Special Terms and Conditions of this rate schedule. The minimum contract term for service hereunder shall be for a period of at least one (1) year and shall commence on November 1 and be effective through the following October 31, and year to year thereafter, unless terminated by either Company or Customer upon prior written notice on or before the April 30 preceding the October 31 termination date.

Any customer served under Rate CGS or Rate IGS shall provide notice to Company by April 30 of its request for service to be effective commencing on the following November 1.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 20.1

## STANDARD RATE SCHEDULE

### AAGS As-Available Gas Service

#### RATE

Basic Service Charge:  
\$275.00 per delivery point per month

Plus a Charge Per Mcf	
Distribution Cost Component	\$ 0.6086
Gas Supply Cost Component	<u>\$ 4.2501</u>
Total Charge Per Mcf	\$ 4.8587

The "Gas Supply Cost Component" as shown above is the cost per Mcf determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 85 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 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:

Gas Line Tracker	Sheet No. 84
Demand Side Management Cost Recovery Mechanism	Sheet No. 86
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, 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 "*Platts 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 Rider 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:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 20.2

Standard Rate

**AAGS**  
**As-Available Gas Service**

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

## **SPECIAL TERMS AND CONDITIONS**

1. Service shall be supplied hereunder only at such times and in such volumes as Company, in its sole judgment, determines that gas is available for such service without impairment of service supplied under other rate schedules.
2. Each customer served hereunder shall be required to enter into a written contract specifying, among other things, realistic monthly requirements for gas under this rate schedule. Such volumes shall be used as the basis for apportionment of gas when the total customer requirements exceed the quantity of gas available for service hereunder.
3. The customer shall contract under this rate schedule for a specified quantity of gas stated in terms of maximum required deliveries in Mcf per day. On no day shall Company be obligated to supply gas in excess of such contract quantity. In no case will Company be obligated to supply gas to Customer at greater volumes and greater rates of flow than those historically delivered by Company to Customer.
4. Customer shall discontinue taking service upon applicable notice by Company to do so.
5. No gas service whatsoever to Customer's equipment or process served hereunder shall be supplied or permitted to be taken under any other of Company's gas rate schedules during periods of interruption.
6. Upon commencement of service hereunder, Customer shall be required to certify that Customer's alternate fuel facilities are operational and alternate fuel is on site and capable of use. Company may, at its discretion, verify such certification through physical inspection of Customer's facility. In the event that Customer does not have alternate fuel facilities, Customer shall certify that the processes which utilize gas delivered hereunder are capable of complete discontinuance of natural gas use. Company may request Customer to verify either of the foregoing alternatives on an annual basis on or before October 1 of each year. Failure of Customer to annually certify either of the above alternatives shall result, in the sole discretion of Company, in immediate termination of service under this rate schedule and the immediate transfer to the appropriate firm sales rate schedule, either Rate CGS or Rate IGS.
7. Service hereunder must be supplied through a separate meter and physically isolated from any other service provided by Company under other rate schedules.
8. Company shall not be obligated to install or construct any facilities (other than necessary meters and regulators) in order to provide service hereunder.

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 20.3

Standard Rate

**AAGS**  
**As-Available Gas Service**

9. Any Customer contracting for service hereunder, other than a Customer transferring from either Rate G-6 or Rate G-7 as stipulated above, may be required, in the sole discretion of Company, either prior to electing service hereunder or at anytime thereafter, to have appropriate remote metering devices. The remote metering devices allow Company to monitor the Customer's usage and determine compliance with notice of interruption of service hereunder. The Customer shall be responsible for the cost of the remote metering equipment and the cost of its installation.

Any Customer required to have remote metering as described above shall be responsible for making any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in order to facilitate the installation and operation of such remote metering.

Any Customer required to have remote metering shall be responsible for providing the necessary and adequate electric and telephone service to provide this metering within thirty (30) days of Company's notice to Customer that such remote metering shall be required. Electric and telephone services installed for this equipment shall conform to Company's specifications. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide such remote metering.

## **DUE DATE OF BILL**

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

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## **LATE PAYMENT CHARGE**

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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## **TERMS AND CONDITIONS**

Service will be furnished under Company's Terms and Conditions applicable hereto, to the extent that such Terms and Conditions are not in conflict, nor inconsistent, with the specific provisions hereof.

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30

Standard Rate

FT

Firm Transportation Service (Transportation Only)

T

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to existing commercial and industrial customers who consume at least 50 Mcf each day at each individual Delivery Point during each month of the twenty-four (24) months prior to the March 31 service request date, have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Company's system through the system of Company's Pipeline Transporter, and have requested Company to utilize its system to transport, by displacement, such customer-owned gas to Customer's place of utilization. Customers electing to transfer from another service shall notify Company on or before March 31 and execute a contract by April 30 in order to receive service hereunder beginning November 1 of that same year. The Contract Year shall include the twelve monthly billing periods from November 1 through October 31, of the following calendar year. Service under this rate schedule shall be for a term of one (1) year and year to year thereafter. Unless otherwise permitted herein, Customer or Company may terminate service hereunder effective November 1 by giving written notice to the other by the preceding April 30.

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For new customers whose historical gas consumption is not available, Company will determine Customer's eligibility for service hereunder based upon data provided by Customer and such other information as may be available to Company. Company may allow such new customers to begin service hereunder prior to the November 1 date specified above for existing customers.

Any such transportation service hereunder shall be conditioned on Company being granted a reduction in billing demands by its Pipeline Transporter corresponding to the Customer's applicable transportation quantities.

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.

Service under this rate schedule shall not be available to customers with a Maximum Daily Quantity ("MDQ") in excess of 20,000 Mcf/day. In the event that Customer's MDQ exceeds 20,000 Mcf/day, Company may terminate service under this rate schedule upon thirty (30) days prior written notice. Additionally, customers using gas to generate electricity for use other than as standby electric service, irrespective of the size of the Customer's MDQ, are not eligible for service under this rate schedule.

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## CHARACTER OF SERVICE

Transportation service under this rate schedule shall be considered firm from the Receipt Point at Company's interconnection with its Pipeline Transporter ("Receipt Point") to the Delivery Point at the Customer's place of utilization ("Delivery Point"), subject to paragraph 6 of the Special Terms and Conditions.

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Date of Issue:

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



# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30.1

Standard Rate

FT

Firm Transportation Service (Transportation Only)

T

Due to the physical configuration of Company's system, and in order to maintain system integrity and reliability, unless otherwise permitted or directed by Company in its sole discretion, the Pipeline Transporter shall be Texas Gas Transmission, LLC.

Company's sole obligation hereunder is to redeliver Customer's gas from the Receipt Point to the Delivery Point. Accordingly, Company has no obligation to deliver to the Customer a volume of gas, either daily or monthly, which differs from the volume delivered to Company at the Receipt Point.

Company will provide service to meet imbalances only on an as-available basis. For purposes used herein, "Imbalances" are defined as the difference between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Point. When Company can provide such service, the Utilization Charge for Daily Imbalances shall apply to daily imbalances in excess of  $\pm 5\%$  of the delivered volume of gas as set forth herein. Company shall issue an Operational Flow Order as set forth herein during periods when service cannot be provided to meet daily imbalances.

Customers served under this rate may elect to become a member of an FT Pool pursuant to Rider PS-FT.

## RATE

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

Administrative Charge: \$400.00 per Delivery Point per month

T/I

Distribution Charge Per Mcf: \$0.43

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**Gas Cost True-Up Charge:** The Gas Cost True-Up Charge is applicable only to a former sales Customer that has elected transportation service hereunder. Such Customer shall pay this charge for the first eighteen billing periods that Customer is served under Rate FT. The charge (or credit) per Mcf shall be applied to all volumes delivered by Company pursuant to Rate FT in order to recover from (or refund to) transferring sales customers any under- or over-collected gas costs as reflected in the GCAA, GCBA, and PBRRC components of the Gas Supply Clause ("GSC") applicable to gas sold during those periods when the transferring customer was a sales customer. The Gas Cost True-Up Charge amount shall be revised with each of Company's quarterly Gas Supply Clause filings.

For customers electing service under Rate FT effective November 1, 2011,  
the Gas Cost True-Up Charge shall be:

\$0.0146 per Mcf for Bills Rendered On and After November 1, 2012

For customers electing service under Rate FT effective November 1, 2012,  
the Gas Cost True-Up Charge shall be:

\$0.0508 per Mcf for Bills Rendered On and After November 1, 2012

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30.2

Standard Rate

FT

Firm Transportation Service (Transportation Only)

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**Minimum Daily Threshold Requirement and Charge:** When Customer's daily usage falls below the Minimum Daily Threshold Requirement, Customer will be charged a Minimum Daily Threshold Charge equal to the difference between the Minimum Daily Threshold Requirement and the Customer's actual consumption in Mcf for that day multiplied by the Distribution Charge hereunder. The Minimum Daily Threshold Requirement is equal to the minimum daily volume of 50 Mcf. Such Minimum Daily Threshold Charge shall be accumulated for each day of the applicable month and billed during that month in accordance with the following formula:

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Minimum Daily Threshold Charge =

(Minimum Daily Threshold minus Customer Usage on Given Day) times the Distribution Charge

Such daily amount shall be accumulated for each day of the month and the total will be applied to Customer's bill.

Payment of the Minimum Daily Threshold Charge is not a remedy for Customer's failure to meet the Minimum Daily Threshold Requirement for service under Rate FT. In the event that Customer does not meet the Minimum Daily Threshold Requirement for one-hundred twenty (120) days during a given Contract Year, service to Customer under Rate FT may be discontinued by Company. Customer will receive thirty (30) days prior written notice that Customer will be removed from Rate FT and returned to firm sales service under either Rate CGS or IGS as applicable.

**Other:** In the event that Customer is determined to be the cause of any billing disadvantages or other penalties imposed on Company by Pipeline Transporter, then Customer shall pay such penalties, fees, or charges as determined by Company and in accordance with the payment provisions of this rate schedule in addition to any and all other charges due hereunder.

## 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

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill.

## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30.3

Standard Rate

FT

Firm Transportation Service (Transportation Only)

T

## IMBALANCES

Company will calculate on a daily and monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volume}$$

Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volume}}$$

The term "day" or "daily" shall mean the period of twenty-four (24) consecutive hours beginning at 10:00 a.m., Eastern Clock Time.

## CASH-OUT PROVISION FOR MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into Company's system), Company shall purchase the monthly imbalance from Customer at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the lowest daily mid-point price posted in "Platts Gas Daily" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

When Total Net  
Negative Imbalance  
Percentage is:

0% to ≤5%  
>5% to ≤10%  
>10% to ≤15%  
>15% to ≤20%  
>20%

The following percentage shall be  
multiplied by the above-referenced  
"Platts Gas Daily" price for Dominion South Point:

100%  
90%  
80%  
70%  
60%

If the monthly imbalance is positive (an under-delivery into Company's system), Customer shall be billed for the monthly imbalance from Company at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the highest daily mid-point price posted in "Platts Gas Daily" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30.4

Standard Rate

FT

## Firm Transportation Service (Transportation Only)

When Total Net  
Positive Imbalance  
Percentage is:

The following percentage shall be  
multiplied by the above-referenced  
"Platts Gas Daily" price for Dominion South Point:

0% to $\leq 5\%$	100%
>5% to $\leq 10\%$	110%
>10% to $\leq 15\%$	120%
>15% to $\leq 20\%$	130%
>20%	140%

The monthly imbalance percentages stated above will be used to calculate the cash-out price for imbalances that fall within each category. For example, a Customer with a monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's monthly bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

### VARIATIONS IN MMBTU CONTENT

All gas delivered by Company will be measured and billed on an Mcf basis. Pipeline Transporter delivers to and bills Company on an MMBtu basis. The reconciliation of the actual deliveries by Pipeline Transporter and the Customer's estimated deliveries by Pipeline Transporter occurs through the operation of the cash-out provision. Changes in billings of the cash-out provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

### UTILIZATION CHARGE FOR DAILY IMBALANCES

Should an imbalance exceed  $\pm 5\%$  of the delivered volume of gas on any day when an Operational Flow Order (as described below) has not been issued, then Company shall charge the Utilization Charge for Daily Imbalances times the recorded imbalance greater than  $\pm 5\%$  of the delivered volume of gas for each daily occurrence. The Utilization Charge for Daily Imbalances is the sum of the following:

Daily Demand Charge:	\$0.1722 per Mcf
Daily Storage Charge:	<u>\$0.1833</u>
Utilization Charge for Daily Imbalances:	\$0.3555 per Mcf

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

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30.5

Standard Rate

FT

Firm Transportation Service (Transportation Only)

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These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed  $\pm 5\%$  of the delivered volume. Company shall not have an obligation to provide balancing service for any volumes of gas hereunder.

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## OPERATIONAL FLOW ORDERS

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

Notice of an OFO shall be provided to Customer at least twenty-four (24) hours prior to the beginning of the gas day for which the OFO is in effect and shall include information related to the OFO. Customer shall respond to an OFO by adjusting its deliveries to Company's system as directed in the OFO within the specified timeframe. If Customer is a member of an FT Pool, it is the responsibility of the FT Pool Manager, not Company, to convey OFOs to Customers in its FT Pool.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. 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 subject to the OFO Charge on the day for which the OFO was violated, plus the applicable UCDI charges and any other charges under this rate schedule for such unauthorized receipts or deliveries that occur

Company may, in its sole discretion, issue an OFO to an individual Customer or an individual Pool Manager taking service under Rider PS-FT without issuing an OFO to all Customers taking service under Rate FT or without issuing an OFO to all Pool Managers taking service under Rider PS-FT.

The OFO Charge shall be equal to \$15.00 plus the mid-point price posted in "*Platts Gas Daily*" for Dominion South Point per Mcf on the day for which the OFO was violated, plus any other charges under this rate schedule.

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 OFO 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.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30.6

Standard Rate

FT

Firm Transportation Service (Transportation Only)

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## OPTIONAL SALES AND PURCHASE TRANSACTION

Customer may agree to sell its natural gas supplies to Company, and Company may agree to purchase natural gas supplies from Customer pursuant to Company's Curtailment Rules. If Company purchases natural gas from Customer, such gas will not be redelivered to Customer, and Customer shall discontinue or otherwise interrupt the usage of such natural gas.

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## RETURN TO FIRM SALES SERVICE

Return to firm sales service is contingent upon the ability of Company to secure the appropriate quantities of gas supply and transportation capacity with Company's Pipeline Transporter, as determined solely by Company.

## REMOTE METERING

Remote metering service shall be required as a prerequisite to the Customer obtaining service under this rate schedule. The remote metering devices will allow Company and Customer to monitor the Customer's usage on a daily basis and allow Company to bill the Customer.

The Customer shall be responsible for the cost of this remote metering equipment and the cost of its installation.

The Customer shall be responsible for making any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in order to facilitate the installation and operation of such remote metering.

The Customer shall be responsible for providing the necessary and adequate electric and telephone service to provide remote metering by October 1 of the year that the Customer's Rate FT service becomes effective. Electric and telephone services installed for this equipment shall conform to Company's specifications. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide remote metering.

## SPECIAL TERMS AND CONDITIONS

1. Service under this rate schedule shall be performed under a written contract between Customer and Company setting forth specific arrangements as to the volumes to be transported by Company for Customer, Delivery Points, timing of receipts and deliveries of gas by Company, and any other matters relating to individual Customer circumstances.
2. As further described below, Customer shall specify to Company the daily volume of gas required by Customer. Such volume shall be stated in Mcf/day and converted to MMBtu/day using a standard conversion factor as may be specified by Company from time to time. At least ten (10) days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 30.7

Standard Rate

FT

Firm Transportation Service (Transportation Only)

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## SPECIAL TERMS AND CONDITIONS (continued)

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system for Customer's account. Any changes in nominated volumes, as well as any other information required to effectuate the delivery of such gas to Company by the Pipeline Transporter, shall be provided by Customer to Company no later than 10:00 a.m. Eastern Clock Time on the day prior to the day(s) for which volumes are scheduled to flow. Only those volumes actually confirmed by Company and scheduled on the Pipeline Transporter are considered nominated volumes. Company shall not be obligated to accept from Customer daily nominations, or changes thereto, that are made after the daily deadline for such nominations as set forth above or that are made on weekend days or holidays as such are observed by Company. Company will not be obligated to utilize its underground storage capacity for purposes of this service.

3. In no case will Company be obligated to deliver gas, including both gas transported and gas sold, to Customer in greater volumes or at greater rates of flow than those specified in the written contract between Customer and Company. The maximum daily volume that Company shall be obligated to deliver shall be referred to as the Maximum Daily Quantity ("MDQ"). The MDQ is the maximum daily volume of gas, as determined by Company, based on Customer's historical daily metered volumes. In the event that historical daily metered volumes are not available, Company will determine the MDQ based upon data provided by Customer and/or monthly metered data. Once historical daily metered data becomes available, the MDQ will be subject to revision by Company on an annual basis.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the Terms and Conditions of this Tariff.
5. All volumes of natural gas received by Company for Customer shall meet the specifications established by Pipeline Transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any Customer hereunder when, in Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will not be obligated hereunder to provide standby quantities for purposes of supplying such Customer requirements.
8. Company shall not be required to render service under this rate schedule to any Customer that fails to comply with any and all of the terms and conditions of this rate schedule.

## TERMS AND CONDITIONS

Service under this rate is subject to Company's Terms and Conditions governing the supply of gas service as incorporated in this Tariff, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 35

Standard Rate

## DGGS Distributed Generation Gas Service

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Applicable to firm natural gas sales service to customer-owned electric generation facilities except (i) when such natural gas is limited to the production of electricity for Customer's own use during emergency situations during which Customer's normal supply of electricity is not otherwise available, and (ii) when such electric generation facilities have a total connected load of less than 2,000 cubic feet per hour. Natural gas purchased for electric generation facilities with a total connected load of 2,000 or more cubic feet per hour, or purchased to generate electricity for further distribution, for sale in the open market, or for any purpose other than to provide Customer with standby electrical supplies during emergency situations shall be subject to this tariff. Additionally, service under this Standard Rate DGGS shall be applicable only to electric generation facilities described above and installed and operating on and after ninety (90) days after August 1, 2010, (and therefore not eligible for service under Standard Rates CGS or IGS) by commercial and industrial customers. T

Service hereunder shall be at a single delivery (custody transfer) point and where distribution mains are adjacent to the premises to be served. Gas sales service provided hereunder shall be metered and billed separately from gas service provided under any other rate schedule.

Service to Customer at multiple delivery points for the purpose of avoiding the threshold of 2,000 cubic feet per hour under Rate DGGS shall not be permitted. T  
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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. Company may decline to accept customers under this rate schedule with a connected load of more than 8,000 cubic feet per hour. Availability 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.

If an additional separate point of delivery is requested by a residential customer to provide gas for use in standby electric generation, such residential customer shall be served under Rate DGGS.

### CHARACTER OF SERVICE

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

### RATE

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

#### Basic Service Charge:

If all of the customer's meters  
have a capacity < 5000 cf/hr: \$ 35.00 per delivery point per month |

If any of the customer's meters  
have a capacity ≥ 5000 cf/hr: \$175.00 per delivery point per month |

**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 35.1

Standard Rate

DGGS

Distributed Generation Gas Service

Demand Charge per 100 cubic feet of Monthly Billing Demand:	\$1.1402	
Plus a Charge Per 100 Cubic Feet:		
Distribution Cost Component	\$0.03095	
Gas Supply Cost Component	<u>0.42501</u>	
Total Charge Per 100 Cubic Feet	\$0.45596	

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 total monthly minimum bill shall be the sum of the minimum monthly Demand Charge and the Monthly Basic Service Charge.

In no case shall Company be obligated to deliver greater volumes hereunder than those specified in the written contract between Customer and Company. Payment of any and all charges hereunder shall not be considered an exclusive remedy for takes in excess of the maximum daily quantity ("MDQ"), nor shall the payment of such charges be considered a substitute for any other remedy (including, but not limited to, physical discontinuance or suspension of service hereunder) available to Company.

## ADJUSTMENT CLAUSES

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

Gas Line Tracker	Sheet No. 84	T
Franchise Fee and Local Tax	Sheet No. 90	
School Tax	Sheet No. 91	

## DUE DATE OF BILL

Customer's payment will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of the bill. T  
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## LATE PAYMENT CHARGE

If full payment is not received by the due date of the bill, a 1% late payment charge will be assessed on the current month's charges. T

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 35.2

Standard Rate

**DGGS**  
**Distributed Generation Gas Service**

## **SPECIAL TERMS AND CONDITIONS**

1. Service under this rate schedule shall be performed under a written contract between Customer and Company setting forth specific arrangements as to the volumes to be sold by Company to Customer, and any other matters relating to individual customer circumstances.
2. The minimum contract term for service hereunder shall be for a period not less than five (5) years commencing from the effective date thereof.
3. Such written contract shall specify the minimum delivery pressure, the maximum hourly rate ("MHR"), and the maximum daily quantity ("MDQ"). The MHR is the maximum hourly gas load in 100 cubic feet that the Customer's installation will require when operating at full capacity. The MDQ shall be twenty-four (24) times the MHR. The MDQ is the Monthly Billing Demand and shall not be less than 480 (four hundred and eighty) Ccf.
4. In no case shall Company be obligated to make deliveries hereunder at a pressure greater than thirty (30) psig, or the prevailing line pressure, whichever is less.
5. Increases in the MDQ may be requested annually by Customer. Customer may request Company to increase the MDQ at least ninety (90) days in advance of the anniversary date of the written contract. Such increases in the MDQ that are acceptable to Company in its sole discretion shall be effective on the anniversary date of the effective date of the written contract.
6. In the event that Company agrees to install any Company-owned facilities required to serve Customer, such facilities to be installed by Company shall be specified in the written contract and the cost of such facilities and installation thereof shall be paid by Customer to Company.

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## **TERMS AND CONDITIONS**

Service under this rate is subject to Company's Terms and Conditions governing the supply of gas service as incorporated in this Tariff, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

## Special Charges

The following charges will be applied uniformly throughout Company's service territory. Each charge, as approved by the Public Service Commission, reflects only that revenue required to cover associated expenses.

### RETURNED PAYMENT CHARGE

In those instances where a Customer renders payment to Company which is not honored upon deposit by Company, the Customer will be charged \$10.00 to cover the additional processing costs.

### METER TEST CHARGE

Where the test of a meter is performed during normal working hours upon the written request of a Customer, pursuant to 807 KAR 5:006, Section 18, and the results show the meter was not more than two (2) percent fast, the Customer will be charged \$90.00 to cover the test and transportation costs. I

### DISCONNECT/RECONNECT SERVICE CHARGE

A charge of \$28.00 will be made to cover disconnection and reconnection of gas service when discontinued for non-payment of bills or for violation of Company's Terms and Conditions, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$28.00. No charge will be made for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. R

Customers under Gas Rates RGS, CGS and IGS may request and be granted temporary suspension of gas service. In the event of such temporary suspension, Company will make a charge of \$28.00 to cover disconnection and reconnection of gas service, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$28.00. R

### INSPECTION CHARGE

With respect to Customer's service line and house line inspections prior to initiation or resumption of gas service, Company will make two such inspections without charge. When more than two trips are necessary to complete the inspections at any one location, a charge of \$150.00 will be made for each additional trip. I

### CHARGE FOR TEMPORARY AND SHORT TERM SERVICE

The customer shall pay the cost of all material, labor and expense incurred by Company in supplying gas service for any temporary or short term use, in addition to the regular rates for service without pro-rating of rate blocks or minimum charges for service of less than thirty days in a regular meter reading period.

### ADDITIONAL TRIP CHARGE

Under Rate FT, Rider TS-2, and Rider GMPS, if the Company is required to make additional visits to the meter site due to the Company's inability to gain access to the meter location, or the necessary Communication Link (such as electric and telephone service) has not been properly installed by Customer, or the Customer's Communication Link is not working properly, the Company may charge the Customer for any additional trip to the site at a per-visit rate of \$150.00. T  
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Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, 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 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.

Rider TS shall continue to be effective for customers who have previously elected to transport under Rider TS as of the effective date hereof. However, service hereunder shall terminate on October 31, 2013, at which point Rider TS shall no longer be in effect.

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### 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: \$400.00 per Delivery Point per month

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	CGS	IGS	AAGS
Distribution Charge Per Mcf	\$2.0999	\$2.1452	\$0.6086
Pipeline Supplier's Demand Component	0.7512	0.7512	0.7512
Total	\$2.8511	\$2.8964	\$1.3598

I

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The "**Distribution Charge**" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$0.50 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. 86
Franchise Fee and Local Tax	Sheet No. 90
School Tax	Sheet No. 91

**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 50.1

Standard Rate Rider

TS

Gas Transportation Service/Standby

## IMBALANCES

Company will calculate on a monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volumes}$$

Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volumes}}$$

## CASH-OUT PROVISION FOR POSITIVE MONTHLY IMBALANCES (STANDBY SERVICE)

Company will provide standby quantities of natural gas hereunder for purposes of supplying Customer's requirements should Customer be unable to obtain sufficient transportation volumes. Such standby service will be provided at the same rates and under the same terms and conditions as those set forth in Company's applicable rate schedule under which it sells gas to Customer.

## CASH-OUT PROVISION FOR NEGATIVE MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into Company's system), Company shall purchase the monthly imbalance from customer at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the lowest daily mid-point price posted in "Platts Gas Daily" for Dominion South Point during the month in which the negative imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly negative imbalance percentage to be applied as follows:

When Total Net  
Negative Balance  
Percentage is:

The following percentage shall  
be multiplied by the above referenced  
"Platts Gas Daily" price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	90%
>10% to ≤15%	80%
>15% to ≤20%	70%
>20%	60%

The monthly imbalance percentages stated above will be used to calculate the cash-out price for negative imbalances that fall within each category. For example, a Customer with a negative monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 50.2

Standard Rate Rider

TS

Gas Transportation Service/Standby

T

All such adjustments shall be shown and included on the Customer's bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

**Variations in MMBtu Content:**

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

**SPECIAL TERMS AND CONDITIONS**

1. Service under this rider shall be performed under a written contract between Customer and Company setting forth specific arrangements as to volumes to be transported by Company for Customer, points of delivery, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.
2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four (24) hours' prior notice of any subsequent changes to scheduled deliveries.
3. In no case will Company be obligated to supply gas to Customer, including both gas sold to Customer and gas transported hereunder, at greater volumes and greater rates of flow than those historically purchased by Customer from Company.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the Terms and Conditions of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its pipeline transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any Customer hereunder when, in Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will provide standby quantities of natural gas to Customer as set forth in Customer's standard rate schedule CGS, IGS, or AAGS. In the event of an interruption of sales service to a Customer served under Rate AAGS, as provided for in that rate schedule, Company shall continue to deliver quantities of customer-owned natural gas in amounts equal to such quantities being delivered by pipeline transporter for Customer. During such periods of interruption, a Customer served under Rate AAGS shall not take quantities of natural gas in excess of those being delivered to Company on Customer's behalf. If Customer takes natural gas in excess of such quantities, Customer shall be subject to penalties in accordance with Company's Curtailment Rules.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 50.3

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Standard Rate Rider

TS

Gas Transportation Service/Standby

## TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

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**Date of Issue:**

**Date Effective: September 27, 2000**

**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. 2009-00549 dated July 30, 2010**

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 51

Standard Rate Rider

TS-2

N

Gas Transportation Service/Firm Balancing Service

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to existing commercial and industrial customers served under Rates AAGS, CGS, and IGS who consume at least 15,000 Mcf annually at each individual Delivery Point during the two (2) years ending with the March 31 service request date.

This rider is available for qualified customers electing to transport under Rider TS-2 beginning November 1, 2013.

Customers electing service under this rider shall notify Company on or before March 31 and execute a contract by April 30 in order to receive service hereunder beginning November 1 of that same year. The Contract Year shall include the twelve monthly billing periods from November 1 through October 31, of the following calendar year. Service under this rider shall be for a term of one (1) year and year to year thereafter. Unless otherwise permitted herein, Customer or Company may terminate service hereunder effective November 1 by giving written notice to the other by the preceding April 30.

For new customers whose historical gas consumption is not available, Company will determine Customer's eligibility for service hereunder based upon data provided by Customer and such other information as may be available to Company. Company may allow such new customers to begin service hereunder prior to the November 1 date specified above for existing customers.

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

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.

Service under this rider shall not be available to Customers with a Maximum Daily Quantity ("MDQ") in excess of 5,000 Mcf/day. In the event that Customer's MDQ exceeds 5,000 Mcf/day, Company may terminate service under this rider upon thirty (30) days prior written notice. Additionally, Customers using gas to generate electricity for use other than as standby electric service, irrespective of the size of the Customer's MDQ, are not eligible for service under this rider.

## CHARACTER OF SERVICE

Transportation service under this rider shall be considered firm from the Receipt Point at Company's interconnection with its Pipeline Transporter ("Receipt Point") to the Delivery Point at the Customer's place of utilization ("Delivery Point"), subject to paragraph 6 of the Special Terms and Conditions.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Louisville Gas and Electric Company

Standard Rate Rider

TS-2

N

## Gas Transportation Service/Firm Balancing Service

Due to the physical configuration of Company's system, and in order to maintain system integrity and reliability, unless otherwise permitted or directed by Company in its sole discretion, the Pipeline Transporter shall be Texas Gas Transmission, LLC.

Company will provide service to meet imbalances on a firm basis. For purposes used herein, "Imbalances" are defined as the difference between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Point.

Customers served under this rider must designate a third-party TS-2 Pool Manager and become a member of a TS-2 Pool pursuant to Rider PS-TS-2.

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Company shall issue an Action Alert as set forth in Rider PS-TS-2 when, in Company's sole discretion, such Action Alert is required to manage loads served under Rider TS-2. It is the responsibility of the TS-2 Pool Manager, not Company, to convey Action Alerts to Customers in the TS-2 Pool.

Any imbalances (over- or under-deliveries) incurred by TS-2 Pool Manager on behalf of Customer shall be resolved through the application of the cash-out mechanism incorporated in Rider PS-TS-2.

### 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: \$400.00 per Delivery Point per month

	CGS	IGS	AAGS
Distribution Charge Per Mcf	\$2.0999	\$2.1452	\$0.6086
Pipeline Supplier's Demand Component	0.7512	0.7512	0.7512
Total	\$2.8511	\$2.8964	\$1.3598

The "**Distribution Charge**" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$0.50 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.

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 51.2

Standard Rate Rider

TS-2

N

## Gas Transportation Service/Firm Balancing Service

**Gas Cost True-Up Charge:** The Gas Cost True-Up Charge is applicable only to a former sales Customer that has elected transportation service hereunder and not previously served under Rider TS. Such Customer shall pay this charge for the first eighteen billing periods that Customer is served under Rider TS-2. The charge (or credit) per Mcf shall be applied to all volumes delivered by Company pursuant to Rider TS-2 in order to recover from (or refund to) transferring sales customers any under- or over-collected gas costs as reflected in the GCAA, GCBA, and PBRRC components of the Gas Supply Clause ("GSC") applicable to gas sold during those periods when the transferring customer was a sales customer. The Gas Cost True-Up Charge amount shall be revised with each of Company's quarterly Gas Supply Clause filings.

For customers electing service under Rider TS-2 effective November 1, 2011, the Gas Cost True-Up Charge shall be:

\$0.0146 per Mcf for Bills Rendered On and After November 1, 2012

For customers electing service under Rider TS-2 effective November 1, 2012, the Gas Cost True-Up Charge shall be:

\$0.0508 per Mcf for Bills Rendered On and After November 1, 2012

**Minimum Annual Threshold Requirement and Charge:** When Customer's annual usage falls below the Minimum Annual Threshold Requirement, Customer will be charged a Minimum Annual Threshold Charge equal to the difference between the Minimum Annual Threshold Requirement of 15,000 Mcf and the Customer's actual consumption in Mcf during each Contract Year which difference shall be multiplied by the peak period Distribution Charge of the applicable sales rate schedule. Such Minimum Annual Threshold Charge shall be billed during the month following the close of the Contract Year in accordance with the following formula

T

Minimum Annual Threshold Charge =

(Minimum Annual Threshold minus Customer's Annual Usage) times the Peak Period Distribution Charge

Such amount shall be applied to Customer's November bill.

Payment of the Minimum Annual Threshold Charge is not a remedy for Customer's failure to meet the Minimum Annual Threshold Requirement for service under Rider TS-2. In the event that Customer does not meet the Minimum Annual Threshold Requirement for two (2) consecutive years (as determined for the 12 months ended October), service to Customer under this rider may be discontinued. Customer and its TS-2 Pool Manager will receive notice by December 1 that Customer will be removed from the TS-2 Pool and returned to firm sales service effective April 1 of the following year.

New customers qualifying for service hereunder and who begin service prior to the November 1 date specified above shall not be subject to any Minimum Annual Threshold Charge for service prior to the November 1 date immediately following the commencement of service hereunder.

**Optional Monthly Telemetry Charge:** \$300.00 per Delivery Point per month

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 51.3

Standard Rate Rider

TS-2

N

## Gas Transportation Service/Firm Balancing Service

### 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

### REMOTE METERING

Remote metering service shall be required as a prerequisite to the Customer obtaining service under this rider. The remote metering devices will allow Company and Customer to monitor the Customer's usage on a daily basis and allow Company to bill the Customer.

At the time that the Customer executes a contract for service hereunder, Customer shall elect to either (1) pay for the cost of this remote metering equipment and the cost of its installation (including any required meter replacement) in an up-front lump sum payment, or (2) pay the Optional Monthly Telemetry Charge specified herein.

The Customer shall be responsible for making any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in order to facilitate the installation and operation of such remote metering.

The Customer shall be responsible for providing the necessary and adequate electric and telephone service to provide remote metering by October 1 of the year that Customer's service under Rider TS-2 becomes effective. Electric and telephone services installed for this equipment shall conform to Company's specifications. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide remote metering.

### SPECIAL TERMS AND CONDITIONS

1. Service under this rider shall be performed under a written contract between Customer and Company setting forth specific arrangements as to volumes to be transported by Company for Customer, TS-2 Pool Manager designated by Customer, points of delivery, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.

Customer may appoint only one TS-2 Pool Manager for a given period. If Customer elects to change its TS-2 Pool Manager, Customer shall notify Company and execute and return the required documentation of its election to change its TS-2 Pool Manager at least thirty (30) days prior to the beginning of the billing period for which the change is to become effective. Except as provided for in rider TS-2, no customer may transfer from one TS-2 Pool to another more frequently than once during a Contract Year. In appointing a TS-2 Pool Manager, Customer acknowledges that it has appointed the designated TS-2 Pool Manager to act as its limited agent in the performance of certain stated functions and to assume certain stated responsibilities with

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 51.4

Standard Rate Rider

TS-2

N

Gas Transportation Service/Firm Balancing Service

## SPECIAL TERMS AND CONDITIONS (continued)

regard to transportation under Rider TS-2, including the requesting and receiving of information, the scheduling of gas flows, and all related duties. Customer will continue to be responsible for any and all costs, fees, and other liabilities as the result of the actions or inactions of TS-2 Pool Manager as its limited agent. Customer shall indemnify, defend, and hold Company harmless from any costs (including, but not limited to, reasonable attorney fees), expenses, losses, or liabilities, incurred (a) as a result of Company's performance when relying upon the authority of the TS-2 Pool Manager, (b) as a result of Company's reliance upon Customer's representation that it has express authority to appoint said TS-2 Pool Manager as its limited agent, and (c) due to the Customer's or TS-2 Pool Manager's failure to strictly comply with the provisions of Rider TS-2 or Rider PS-TS-2.

2. In no case will Company be obligated to deliver gas to Customer in greater volumes or at greater rates of flow than those specified in the written contract between Customer and Company. The maximum daily volume that Company shall be obligated to deliver shall be referred to as the Maximum Daily Quantity ("MDQ"). The MDQ is the maximum daily volume of gas, as determined by Company, based on Customer's historical daily metered volumes. In the event that historical daily metered volumes are not available, Company will determine Customer's MDQ based upon data provided by Customer and/or monthly metered data. Once historical daily metered data becomes available, the MDQ will be subject to revision by Company on an annual basis.
3. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the Terms and Conditions of this Tariff.
4. All volumes of natural gas received by Company for Customer shall meet the specifications established by Pipeline Transporter.
5. Company will have the right to curtail or interrupt the transportation or delivery of gas to any Customer hereunder when, in Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
6. In the event of an interruption of service to a Customer served under Rate AAGS, as provided for in that rate schedule, Customer shall discontinue the use of natural gas as specified therein, be subject to the penalties set forth therein, and discontinue deliveries of natural gas hereunder.

## TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof.

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 52

Standard Rate Rider

## GMPS Gas Meter Pulse Service

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

Applicable to all commercial and industrial customers that request the Company to install a gas meter pulse generator which is a meter-related service not otherwise provided by the Company. This service is only available for customer metering sites using positive displacement meters, orifice meters, or ultrasonic metering technology, so long as the meter capacity is 3,000 cubic feet per hour or greater..

### CHARACTER OF SERVICE

The service provided hereunder is a pulse generator (dry electrical contact closure) suitable for generating electrical pulses.

For customers not served under Rate Schedule FT or Rider TS-2, a separate pulse generator will be provided for each gas meter installed at the customer's metering site. Each contact closure cycle on a pulse generator represents a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the Customer at the time of installation. Pressure and temperature correcting factors may need to be applied by the Customer. T

For customers served under Rate Schedule FT or Rider TS-2, a separate pulse generator will be totaled for gas meters at the customer's metering site. Each contact closure cycle on a pulse generator represents a pre-determined natural gas volume. The volume will vary at different meter installations, and will thus be communicated to the Customer at the time of installation. Pressure and temperature correcting factors are applied to the volumes provided and need not be applied by the Customer. T

The Customer shall be responsible for providing and maintaining the necessary and adequate electric and telephone service ("Communication Links") per the Company's specifications.

The Company will provide the pulse generator(s). Customer Installed Equipment is any equipment or wiring installed by the Customer, or someone other than Company acting on behalf of Customer, and could include, but would not be limited to, any device such as a data concentrator, totalizer, programmable logic controller, remote terminal unit, or similar equipment used for the purpose of collecting the pulse data. Customer is responsible for installation of wiring to the pulse generator(s) and is responsible for providing the wetting voltage necessary to generate electrical pulses, as well as all dielectric isolation fittings, surge protection and electrical barriers. The wetting voltage must be a regulated DC voltage of 30 volts or less and 10 mA or less, or as otherwise determined by the Company. If Customer Installed Equipment is located within fifteen (15) feet of any gas pipeline flanges, gas regulators, or gas pressure relief devices; or if gas meters are installed in an enclosed space, then Customer Installed Equipment must be installed in accordance with National Electrical Code Class 1 Division 2 requirements.

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**Date of Issue:**

**Date Effective:** January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 52.1

Standard Rate Rider

**GMPS  
Gas Meter Pulse Service**

A failure of the pulse generator will not be detected by Company on any routine meter reading nor necessarily during other operations. Therefore, Customer is required to recognize and report any problems with the pulse generator.

## RATE

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

For Customers Served Under Rate Schedule FT or Rider TS-2:  
Monthly Charge: \$ 7.17

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For Customers Not Served Under Rate Schedule FT or Rider TS-2:  
Monthly Charge: \$24.34

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If replacement of the Gas Meter(s) is necessary for the installation of a pulse generator, then Customer shall be responsible for the actual meter and meter installation cost of such Gas Meter(s). Customer shall be responsible for making at its cost any necessary modifications to its facilities, including, but not limited to, any modifications of Customer's piping, in the event a replacement Gas Meter is necessary or as otherwise required by Company to facilitate this service.

## SPECIAL TERMS AND CONDITIONS

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1. All Customer Installed Equipment shall be owned, maintained and operated by Customer at its sole cost, including the installation thereof. Dielectric isolation fittings, surge protection and electrical barriers will be used by Customer at Customer's cost when connecting to Company's meter facilities. There may be instances where Company determines, in its sole discretion, that dielectric isolation fittings are not necessary. If such fittings are not determined to be necessary, Company shall notify the Customer in writing. All connections of Customer Installed Equipment to Company facilities and equipment will be made by Company or witnessed by Company's representatives. If applicable, all of Customer's Installed Equipment must be installed within fifty feet of Company's metering telemetry equipment. The Company has the right to inspect Customer's installed equipment, prior to initiating the pulse out service, but has no obligation to do so, and in conducting any inspection the Company is not undertaking or accepting any obligation, responsibility or duty whatsoever with regard to Customer Installed Equipment.
2. Customer agrees and understands that pulse data generated by service under this tariff shall not be used for purposes of billing by Company for natural gas volumes used by the Customer. Furthermore, Customer agrees and understands the pulse generator(s) supplied do not represent a rate of flow, but only a total volume, and should not be used for process control or other purposes.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 52.2

Standard Rate Rider

## GMPS Gas Meter Pulse Service

3. Customer warrants that Customer will not use pulse data in a manner that could result in or create an unsafe condition of any kind or type should the data signal from Company's natural gas metering equipment be lost or inaccurate for any reason whatsoever. Customer further warrants that any installation, operation, maintenance, repair, replacement or removal of Customer Installed Equipment shall not interfere with Company's access to or operation and maintenance of its facilities or equipment. T
4. Company shall not be required to restore any lost data signal. Company reserves the right to upgrade, change, alter or remove any portion or all of Company's facilities, discontinue the data signal or require removal or disconnection of Customer's Installed Equipment, for any reason and without liability to Customer, with prior written notice to Customer. Customer may report data loss or interruptions during normal working hours to the Company. If Customer fails to comply within the time set forth in Company's written request, Company shall have the right to immediately remove Customer Installed Equipment without liability to Customer, and Customer shall reimburse Company for the actual cost of removing said Equipment. All costs associated with responding to Customer's calls and problems relating to service hereunder (including but not limited to call-out, overtime and call-back) shall be paid by Customer upon receipt of Company's invoice.
5. Company makes no representation and provides no warranty or guarantee relating to the operation of, or accuracy or availability of, the data signal provided through Company's equipment. Data received is for informational purposes only, and Company shall not be liable for Customer's use of Company's equipment or data taken therefrom for any purpose.
6. Either party may terminate service under this Rate Schedule upon sixty (60) days prior written notice. Customer shall immediately disconnect and remove Customer's Installed Equipment upon termination, or shall request Company to do so at Customer's sole cost. T
7. Customer shall indemnify, defend and hold Company, its parents, affiliates and subsidiaries and their officers, directors, and employees harmless, to the extent allowed by law, from and against any and all claims, suits, causes of action, liabilities, losses, damages, penalties, fines, fees, assessments, costs and expenses (including attorney's fees and costs incurred in any action or proceeding between Company and Customer or Company and a third party) whatsoever for damages to property or injuries or death to persons (including but not limited to Company's and/or Customer's employees or contractors), arising directly or indirectly from the installation, operation, maintenance, repair, removal, or use of Customer Installed Equipment or involving any inaccurate pulse data or the reliance of Customer or any third party on any pulse data provided pursuant to service hereunder. T

### TERMS AND CONDITIONS

Service under this rate is subject to Company's Terms and Conditions governing the supply of gas service as incorporated in this Tariff, to the extent that such Terms and Conditions are not in conflict with nor inconsistent with the specific provisions hereof. T  
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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 59

Standard Rate Rider

PS-TS-2  
Pooling Service – Rider-TS-2

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## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to TS-2 Pool Managers.

Service under this rider shall not be available for new pool managers until the November 1 following the effective date of this rider.

For the purpose of this rider, a "TS-2 Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rider TS-2 to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties. A customer served under Rider TS-2 must join a Rider PS-TS-2 pool managed by a third-party Pool Manager.

## RATE

In addition to any charges billed directly to TS-2 Pool Manager as a result of the application of this rider or to Customer as a result of the application of Rider TS-2, the following charge shall apply to the TS-2 Pool Manager:

PS-TS-2 Pool Administrative Charge: \$75 per Customer in TS-2 Pool per month

**Other:** In the event that TS-2 Pool Manager is determined to be the cause of any billing disadvantages or other penalties imposed on Company by Pipeline Transporter, then TS-2 Pool Manager shall pay such penalties, fees, or charges as determined by Company and in accordance with the payment provisions of this rate schedule in addition to any and all other charges due hereunder.

## CHARACTER OF SERVICE

Service under this rider allows a TS-2 Pool Manager to deliver to Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more transportation customers that comprise a PS-TS-2 Pool.

The TS-2 Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of the Customers in the TS-2 Pool.

The TS-2 Pool Manager must secure its own upstream capacity from Pipeline Transporter to meet the requirements of the Customers in the TS-2 Pool, up to the total Maximum Daily Quantity of the Customers who are in the TS-2 Pool.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 59.1

Standard Rate Rider

PS-TS-2  
Pooling Service – Rider TS-2

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## ACTION ALERTS

Company shall have the right to issue an Action Alert ("AA") which will require actions by the TS-2 Pool Manager to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system. It is the responsibility of the Pool Manager, not Company, to convey an AA to Customers in its TS-2 Pool. Pool Manager shall be responsible for complying with the directives contained in the AA.

Notice of an AA shall be provided to TS-2 Pool Manager at least eighteen (18) hours prior to the beginning of the gas day for which the AA is in effect. TS-2 Pool Manager shall respond to an AA by adjusting its deliveries to Company's system as directed in the AA within the specified timeframe.

Upon issuance of an AA, Company will direct TS-2 Pool Manager to deliver to Company from 0% to 100% of the total MDQ of those Customers in the TS-2 Pool (the PMDQ as defined hereafter). Any volume delivered by TS-2 Pool Manager that differs (either more or less) from the volume specified in the AA shall be subject to an Action Alert Charge.

Company may, in its sole discretion, issue an AA to an individual Pool Manager taking service under Rider PS-TS-2 without issuing an AA to all Pool Managers taking service under Rider PS-TS-2.

The Action Alert Charge shall be equal to \$5.00 plus the mid-point price posted in *Platts Gas Daily* for Dominion South Point per Mcf on the day for which the AA was violated, plus any other charges under this rider.

Company will not be required to provide service under this rider for any TS-2 Pool Manager that does not comply with the terms or conditions of an AA. Payment of Action Alert Charges hereunder shall not be considered an exclusive remedy for failure to comply with an AA, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

## IMBALANCES

Company will calculate on a daily and monthly basis the TS-2 Pool Manager's imbalance resulting from the difference between the metered usage of the Customers in the TS-2 Pool and the volumes that the TS-2 Pool Manager has delivered into Company's system for the Customers in the TS-2 Pool. This will be calculated as follows:

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 59.2

Standard Rate Rider

PS-TS-2  
Pooling Service – Rider TS-2

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Imbalance = Metered Usage - Delivered Volumes

Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volumes}}$$

The term "day" or "daily" shall mean the period of twenty-four (24) consecutive hours beginning at 10:00 a.m. Eastern Clock Time.

## CASH-OUT PROVISION FOR MONTHLY IMBALANCES

The cash-out provision shall be applied against the aggregate volume of all Customers in a specific TS-2 Pool. The TS-2 Pool Manager will be responsible for the payment of the cash-out charges incurred by the TS-2 Pool as a result of imbalances under Rider TS-2.

If the monthly imbalance is negative (an over-delivery into Company's system), Company shall purchase the monthly imbalance from TS-2 Pool Manager at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the lowest daily mid-point price posted in "*Platts Gas Daily*" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the TS-2 Pool Manager's monthly negative imbalance percentage to be applied as follows:

When Total Net  
Negative Balance  
Percentage is:

The following percentage shall  
be multiplied by the above referenced  
"*Platts Gas Daily*" price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	90%
>10% to ≤15%	80%
>15% to ≤20%	70%
>20%	60%

If the monthly imbalance is positive (an under-delivery into Company's system), TS-2 Pool Manager shall be billed for the monthly imbalance from Company at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the highest daily mid-point price posted in "*Platts Gas Daily*" for Dominion South Point during the month in which the imbalance occurred. The appropriate percentage shall be dependent on the TS-2 Pool Manager's monthly imbalance percentage to be applied as follows:

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 59.3

Standard Rate Rider

PS-TS-2  
Pooling Service – Rider TS-2

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When Total Net  
Positive Imbalance  
Percentage is:

The following percentage shall be  
multiplied by the above-referenced  
"Platts Gas Daily" price for Dominion South Point:

0% to $\leq$ 5%	100%
>5% to $\leq$ 10%	110%
>10% to $\leq$ 15%	120%
>15% to $\leq$ 20%	130%
>20%	140%

The monthly imbalance percentages stated above will be used to calculate the cash-out price for imbalances that fall within each category. For example, a TS-2 Pool Manager with a negative monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the TS-2 Pool Manager's bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rider.

## VARIATIONS IN MMBTU CONTENT

All gas delivered by Company will be measured and billed on an Mcf basis. Pipeline Transporter delivers to and bills Company on an MMBtu basis. The reconciliation of the actual deliveries by Pipeline Transporter and the Customer's estimated deliveries by Pipeline Transporter occurs through the operation of the monthly cash-out provision. Changes in billings of the cash-out provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

## NOMINATIONS AND NOMINATED VOLUME

As further described below, TS-2 Pool Manager shall specify to Company the daily volume of gas required by the Customers in the TS-2 Pool. Such volume shall be stated in Mcf/day and converted to MMBtu/day.

At least ten (10) days prior to the beginning of each calendar month, TS-2 Pool Manager shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for the Pool Manager's TS-2 Pool.

Any changes in nominated volumes, as well as any other information required to effectuate the delivery of such gas to Company by the Pipeline Transporter, shall be provided by TS-2 Pool Manager to Company no later than 10:00 a.m. Eastern Clock Time on the day prior to the day(s) for which volumes are scheduled to flow. Only those volumes actually confirmed by Company and scheduled on the Pipeline Transporter are considered nominated volumes. Company shall

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 59.4

Standard Rate Rider

PS-TS-2  
Pooling Service – Rider TS-2

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not be obligated to accept from TS-2 Pool Manager daily nominations or changes thereto that are made after the daily deadline for such nominations as set forth above or that are made on weekend days or holidays as such are observed by Company.

Such volumes nominated by TS-2 Pool Manager shall include an allowance for Company's system average lost and unaccounted for gas ("LAUFG") expressed as a percentage and based on historical levels. Effective November 1, 2012, such LAUFG percentage is 3.52%. Such LAUFG percentage shall be revised annually each November 1 with notice provided to TS-2 Pool Manager at least thirty (30) days prior to such November 1. The volumes delivered by the TS-2 Pool Manager to Company for redelivery to Customers in the TS-2 Pool will be increased by TS-2 Pool Manager to cover the effective LAUFG percentage. For example, if the Customers in a TS-2 Pool require 325 Mcf on a given day, and the LAUFG% is 5.0%, then the Mcf nominated shall be 342 Mcf  $[325 / (1 - 0.05)]$ . The 342 Mcf shall be converted to MMBtu using a standard conversion factor as may be specified by Company from time to time. Such amount does not include any retention by the Pipeline Transporter. The volume nominated by the TS-2 Pool Manager to cover LAUFG shall not be considered in determining whether or not the TS-2 Pool Manager has exceeded the Pool Maximum Daily Quantity ("PMDQ") for the TS-2 Pool.

## SUPPLIER CODE OF CONDUCT

Each PS-TS-2 Pool Manager participating in the Company's transportation program under Rider PS-TS-2 must:

1. communicate to participating Customers in clear, understandable terms the Customer's rights and responsibilities. This communication must include (a) the PS-TS-2 Pool Manager's customer service address and local or toll-free telephone number; and (b) a statement describing the PS-TS-2 Pool Manager's dispute resolution procedures;
2. provide in writing pricing and payment terms that are clearly defined and understandable and that inform consumers whether the price that the Customer will pay is inclusive or exclusive of applicable taxes, and Company approved tariff riders and surcharges;
3. refrain from engaging in communications or promotional practices which are fraudulent, deceptive, or misleading;
4. deliver gas to the Company on a firm basis on behalf of the Customers enrolled in the PS-TS-2 Pool Manager's pool in accordance with the requirements of the PS-TS-2 Pool Management Agreement;
5. establish and maintain a credit-worthy financial position that enables PS-TS-2 Pool Manager to indemnify the Company and the Customers for costs incurred as a result of any failure by the PS-TS-2 Pool Manager to deliver gas in accordance with the requirements of Rider PS-TS-2 and to assure payment of any applicable charges for any such failure;

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Louisville Gas and Electric Company

6. refrain from requesting customer-specific billing, payment, and usage history without first having received the Customer's written approval allowing PS-TS-2 Pool Manager to access such information.

Failure to fulfill any of these obligations shall be considered a violation of the Supplier Code of Conduct.

If the PS-TS-2 Pool Manager fails to comply with the Supplier Code of Conduct, the Company will have the discretion to temporarily suspend or terminate such PS-TS-2 Pool Manager from further participation in the transportation program under Rider PS-TS-2. If service to the PS-TS-2 Pool Manager is suspended or terminated, Customer(s) in the PS-TS-2 Pool Manager's Pool will be returned to sales service under the applicable rate schedule (CGS, IGS, or AAGS) until said Customer(s) join another PS-TS-2 Pool Manager's Pool. If the Company seeks to suspend or terminate service to a PS-TS-2 Pool Manager, Company shall first notify the PS-TS-2 Pool Manager of the alleged violations which merit suspension or termination. Such notice must be in writing and must be sent to the PS-TS-2 Pool Manager as specified in the notice provisions of the PS-TS-2 Pool Management Agreement at least five (5) business days prior to the effective date of the suspension or termination.

#### **SPECIAL TERMS AND CONDITIONS**

1. No customer shall participate in a TS-2 Pool that does not individually meet the conditions set forth in the "Availability of Service" under Rider TS-2, and no Customer shall participate in more than one pool concurrently. Except as provided for in Section 4 below, no Customer may transfer from one TS-2 Pool to another more frequently than once during a Contract Year.
2. To receive service hereunder, the PS-TS-2 Pool Manager shall enter into a PS-TS-2 Pool Management Agreement with Company. The PS-TS-2 Pool Management Agreement shall set forth the specific obligations of the TS-2 Pool Manager and Company under this rider.

The TS-2 Pool Manager shall submit a signed PS-TS-2 Pool Management Agreement at least thirty (30) days prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the TS-2 Pool Manager of the date when service hereunder will commence. The Customers in the TS-2 Pool shall be set forth in Exhibit A of the PS-TS-2 Pool Management Agreement. In order to join a TS-2 Pool, Customer must have designated in writing its TS-2 Pool Manager as its agent pursuant to Rider TS-2. In order to modify the Customers in the pool, the Pool Manager must request a revised Exhibit A from Company and execute and return said exhibit at least thirty (30) days prior to the beginning of the billing period for which the change is to become effective.

The PMDQ shall be set forth in the Pool Management Agreement. The PMDQ shall be equal to the total of the MDQs of all the Customers in the TS-2 Pool. Company is not obligated to accept volumes for re-delivery on any day in excess of the PMDQ.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 59.6

Standard Rate Rider

**PS-TS-2**  
**Pooling Service – Rider TS-2**

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3. The TS-2 Pool Manager shall upon request of Company agree to maintain a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure TS-2 Pool Manager's performance of its obligations under the PS-TS-2 Pool Management Agreement. In determining the level of the bond or other security to be required of a TS-2 Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of Customers in the TS-2 Pool, the general creditworthiness of the TS-2 Pool Manager, and the TS-2 Pool Manager's prior credit record with Company, if any. In the event that the TS-2 Pool Manager defaults on its obligations under this rider or the PS-TS-2 Pool Management Agreement, Company shall have the right to use the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy TS-2 Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-TS-2 Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
4. The PS-TS-2 Pool Management Agreement may be terminated by Company upon thirty (30) days written notice if a TS-2 Pool Manager fails to meet any condition of this rider and/or Rider TS-2. The PS-TS-2 Pool Management Agreement may also be terminated by Company upon thirty (30) days written notice if the TS-2 Pool Manager has payments in arrears. Written notice of termination of the PS-TS-2 Pool Management Agreement shall be provided both to the TS-2 Pool Manager and to the individual Customers in the TS-2 Pool by Company.

Customers in the TS-2 Pool will be returned to sales service under the applicable rate schedule (CGS, IGS, or AAGS), or will be allowed to enroll in another TS-2 Pool.
5. Company shall directly bill the TS-2 Pool Manager for the PS-TS-2 Pool Administrative Charge, Action Alert Charges, and cash-out charges or payments contained in Rider TS-2. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within fifteen (15) days from the date of the bill. If payment is not made within twenty-seven (27) days from the date of the bill then the TS-2 Pool Manager will be considered in default.
6. Company shall directly bill the individual Customers in the TS-2 Pool for all Administrative Charges, Distribution Charges, Pipeline Supplier's Demand Component Charges, Gas Cost True-Up Charges, Basic Service Charges, Minimum Annual Threshold Charges, Monthly Telemetry Charges, and other remote metering charges, as provided for in either Rider TS-2 or Customer's otherwise applicable sales rate schedule to which Rider TS-2 is a rider.
7. All volumes of natural gas received by Company for Customer shall meet the specifications established by Pipeline Transporter.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 60

Standard Rate Rider

PS-TS  
Pooling Service – Rider TS

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## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to "TS Pool Managers".

Rider PS-TS shall continue to be effective for customers who have previously elected to transport under Rider TS as of the effective date hereof. However, service hereunder shall terminate on October 31, 2013, at which point Rider PS-TS shall no longer be in effect.

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For the purpose of this rider a "TS Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rider TS to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

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## RATE

In addition to any charges billed directly to TS Pool Manager or Customer as a result of the application of Rider TS or this rider, the following charge shall apply:

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PS-TS Pool Administrative Charge: \$75 per customer in TS Pool per month

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## CHARACTER OF SERVICE

Service under this rider allows a TS Pool Manager to deliver to Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more standby sales transportation customers that comprise a PS-TS Pool.

The TS Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Cash-Out Provision of Rider TS shall be applied against the aggregate volume of all customers in a specific pool. The TS Pool Manager will be responsible for the payment of the PS-TS Pool Administrative Charge and any Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rider TS.

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## SPECIAL TERMS AND CONDITIONS

1. No customer shall participate in a TS Pool that does not individually meet the availability conditions of Rider TS, and no customer shall participate in more than one pool concurrently. Likewise, customers served under As-Available Gas Service Rate AAGS cannot be in the same pool with customers served under other sales rates.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 60.1

Standard Rate Rider

## PS-TS Pooling Service – Rider TS

2. To receive service hereunder, the PS-TS Pool Manager shall enter into a PS-TS Pool Management Agreement with Company and shall submit a PS-TS Application/Agency Agreement for each member of the pool, signed by both Customer and its TS Pool Manager. The PS-TS Pool Management Agreement shall set forth the specific obligations of the TS Pool Manager and Company under this rider. The PS-TS Application/Agency Agreement shall set forth the members of the pool.

The TS Pool Manager shall submit a signed PS-TS Pool Management Agreement and a PS-TS Application/Agency Agreement for each member of the pool at least four (4) weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the TS Pool Manager of the date when service hereunder will commence. A customer who terminates service under this rider or who desires to change TS Pool Managers shall likewise provide Company with a written notice at least four (4) weeks prior to the end of a billing period.

3. The TS Pool Manager shall upon request of Company agree to maintain a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure TS Pool Manager's performance of its obligations under the PS-TS Pool Management Agreement. To the extent that TS Pool Manager maintains a cash deposit with Company, Company shall refund such amount to TS Pool Manager, and TS Pool Manager shall provide Company with a surety bond, an irrevocable letter of credit, or other financial instrument satisfactory to Company in the amount determined by Company and at the time that such amount is next re-determined by Company. In determining the level of the bond or other security to be required of a TS Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-TS Pool members, the general credit worthiness of the TS Pool Manager, and the TS Pool Manager's prior credit record with Company, if any. In the event that the TS Pool Manager defaults on its obligations under this rider or the PS-TS Pool Management Agreement, Company shall have the right to use the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy TS Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-TS Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
4. The TS Pool Manager shall provide Company with the written consent, in the form of a PS-TS Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the TS Pool Manager may provide written consent in the form of a PS-TS Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-TS Application/Agency Agreement.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 60.2

Standard Rate Rider

**PS-TS**  
**Pooling Service – Rider TS**

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- 5. The PS-TS Pool Management Agreement will be terminated by Company upon four weeks written notice if a TS Pool Manager fails to meet any condition of this rider and/or Rider TS. The PS-TS Pool Management Agreement will also be terminated by Company upon four weeks written notice if the TS Pool Manager has payments in arrears. Written notice of termination of the PS-TS Pool Management Agreement shall be provided both to the TS Pool Manager and to the individual members of the pool by Company.
  
- 6. Company shall directly bill the TS Pool Manager for the PS-TS Pool Administrative Charge, monthly cash-out charges or payments contained in Rider TS. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within fifteen (15) days from the date of the bill. If payment is not made within twenty-seven (27) days from the date of the bill then the TS Pool Manager will be considered in default.
  
- 7. Company shall directly bill the individual customers in the pool for all Distribution Charges, Basic Service Charges, and Administrative Charges as provided for in either Rider TS or Customer's otherwise applicable sales rate schedule to which Rider TS is a Rider.

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 61

Standard Rate Rider

PS-FT  
Pooling Service – Rate FT

## APPLICABLE

In all territory served.

## AVAILABILITY OF SERVICE

Available to "FT Pool Managers".

For the purpose of this rider, a "FT Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate FT to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

## RATE

In addition to any charges billed directly to FT Pool Manager as a result of the application of this rider or to Customer as a result of the application of Rate FT, the following charge shall apply to FT Pool Manager:

PS-FT Pool Administrative Charge: \$75 per Customer in FT Pool per month

**Other:** In the event that FT Pool Manager is determined to be the cause of any billing disadvantages or other penalties imposed on Company by Pipeline Transporter, then FT Pool Manager shall pay such penalties, fees, or charges as determined by Company and in accordance with the payment provisions of this rate schedule in addition to any and all other charges due hereunder.

## CHARACTER OF SERVICE

Service under this rider allows an FT Pool Manager to deliver to Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more firm transportation customers that comprise a PS-FT Pool. Company may, in its sole discretion, issue an OFO to an individual Customer or an individual Pool Manager taking service under Rider PS-FT without issuing an OFO to all Customers taking service under Rate FT or without issuing an OFO to all Pool Managers taking service under Rider PS-FT. It is the responsibility of the FT Pool Manager to convey OFOs to Customers in its FT Pool.

The FT Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of Customers in the FT Pool. The FT Pool Manager shall be subject to the same nomination deadlines as set forth in Rate FT. The Daily Utilization Charge, OFO Penalty and cash-out provision of Rate FT shall be applied against the aggregate volume of all Customers in a specific FT Pool. The FT Pool Manager will be responsible for the payment of the PS-FT Pool Administrative Charge and any Daily Utilization Charges, OFO penalties or monthly cash-out payments incurred by a specific FT Pool as a result of imbalances under Rate FT. For purposes of this rider the Daily Utilization Charge shall apply to daily imbalances that exceed  $\pm 5$ . Company shall issue an Operational Flow Order as set forth in Rate FT to the FT Pool Manager during periods when service cannot be provided to meet daily imbalances.

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 61.1

Standard Rate Rider

PS-FT  
Pooling Service – Rate FT

## VARIATIONS IN MMBTU CONTENT

All gas delivered by Company will be measured and billed on an Mcf basis. Pipeline Transporter delivers to and bills Company on an MMBtu basis. The reconciliation of the actual deliveries by Pipeline Transporter and the Customer's estimated deliveries by Pipeline Transporter occurs through the operation of the monthly cash-out provision. Changes in billings of the cash-out provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

## SPECIAL TERMS AND CONDITIONS

1. No customer shall participate in an FT Pool that does not individually meet the conditions set forth in the "Availability of Service" under Rate FT, and no customer shall participate in more than one FT Pool concurrently. Unless a Customer meets the provisions of the Remote Metering requirement under Rate FT, that Customer shall not participate in an FT Pool.
2. To receive service hereunder, the FT Pool Manager shall enter into a PS-FT Pool Management Agreement with Company and shall submit a PS-FT Application/Agency Agreement for each Customer in the FT Pool, signed by both Customer and its FT Pool Manager. The PS-FT Pool Management Agreement shall set forth the specific obligations of the FT Pool Manager and Company under this rider. The PS-FT Application/Agency Agreement shall set forth the Customers in the FT Pool.

The FT Pool Manager shall submit a signed PS-FT Pool Management Agreement and a PS-FT Application/Agency Agreement for each Customer in the FT Pool at least thirty (30) days prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the FT Pool Manager of the date when service hereunder will commence. A Customer who terminates service under this rider or who desires to change FT Pool Managers shall likewise provide Company with a written notice at least thirty (30) days prior to the end of a billing period.

The Pool Maximum Daily Quantity ("PMDQ") shall be set forth in the Pool Management Agreement. The PMDQ shall be equal to the total of the MDQs of all the Customers in the FT Pool. Company is not obligated to accept volumes for re-delivery on any day in excess of the PMDQ.

3. The FT Pool Manager shall upon request of Company agree to maintain a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure FT Pool Manager's performance of its obligations under the PS-FT Pool Management Agreement. In determining the level of the bond or other security to be required of an FT Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of Customers in the FT Pool, the general creditworthiness of the FT Pool Manager, and the FT Pool Manager's prior credit record with Company, if any. In the event that the FT Pool Manager defaults on its obligations under this rider or the PS-FT Pool Management Agreement, Company shall have the right to use the proceeds from such bond, irrevocable

Date of Issue:

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

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 61.2

Standard Rate Rider

## PS-FT Pooling Service – Rate FT

letter of credit, or other financial instrument to satisfy FT Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-FT Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.

4. The FT Pool Manager shall provide Company with the written consent, in the form of a PS-FT Application/Agency Agreement, of all Customers to any change in the composition of the Customers in the FT Pool at least thirty (30) days prior to the beginning of the first billing period that would apply to the modified FT Pool. Such written consent for existing Customers in the FT Pool to any change in the composition of the FT Pool may be made by the FT Pool Manager as Agent for the current Customers in the FT Pool. Without exception, any new Customer in the FT Pool must provide its own written consent in the form of a PS-FT Application/Agency Agreement.
5. The PS-FT Pool Management Agreement may be terminated by Company upon thirty (30) days written notice if an FT Pool Manager fails to meet any condition of this rider and/or Rate FT. The PS-FT Pool Management Agreement may also be terminated by Company upon thirty (30) days written notice if the FT Pool Manager has payments in arrears. Written notice of termination of the PS-FT Pool Management Agreement shall be provided both to the FT Pool Manager and to the individual Customers in the FT Pool by Company.
6. Company shall directly bill the FT Pool Manager for the PS-FT Pool Administrative Charge, Utilization Charge for Daily Imbalances, cash-out charges or payments, and OFO Charges contained in Rate FT. The bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within fifteen (15) days from the date of the bill. If payment is not made within twenty seven (27) days from the date of the bill, then the FT Pool Manager will be considered in default.
7. Company shall directly bill the individual customers in the FT Pool for all Distribution Charges, Administrative Charges, Gas Cost True-Up Charges, Minimum Daily Threshold Charges, and remote metering charges or payments provided for in Rate FT.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 62

Standard Rate Rider

EF  
Excess Facilities

## APPLICABILITY

In all territory served.

## AVAILABILITY OF SERVICE

This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by Company. This rider does not apply to main extensions or to other facilities which are necessary to provide basic gas service. Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term. Customers currently being served under the Excess Facilities Rider pursuant to Original Sheet No. 52 of LG&E's Tariff P.S.C. of Ky. Gas No. 6, shall continue to be served thereunder.

## DEFINITION OF EXCESS FACILITIES

Excess facilities are equipment and devices which are installed in addition to or in substitution for the normal facilities required to render basic gas service and where such facilities are dedicated to a specific customer. Applications of excess facilities include, but are not limited to, redundant gas regulator capacity; gas filters/separators; odorant removal systems; gas compression equipment; indirect heaters; gas purification systems; additional facilities required for the customer to take service from a high-pressure gas line; and any other equipment/systems not normally installed to provide gas service to a customer.

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## EXCESS FACILITIES CHARGE

Company shall provide normal operation and maintenance of the excess facilities. Should the facilities suffer failure, Company will provide for replacement of such facilities and the monthly charge will be adjusted to reflect the installed cost of the replacement facilities. No adjustment in the monthly charge for a replacement of facilities will be made during the initial five (5) year term of contract.

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Customer shall pay for excess facilities by:

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- (a) making a monthly Excess Facilities Charge payment equal to the installed cost of the excess facilities times the following percentage:

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Percentage With No Contribution-in-Aid-of-Construction 1.24%

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- (b) making a one-time Contribution-in-Aid-of-Construction equal to the installed cost of the excess facilities plus a monthly Excess Facilities Charge payment equal to the installed cost of the excess facilities times the following percentage:

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Percentage With Contribution-in-Aid-of-Construction 0.47%

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**Date of Issue:**

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 62.1

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Standard Rate Rider

EF  
Excess Facilities

## **PAYMENT**

The Excess Facilities Charges shall be incorporated with the bill for gas service and will be subject to the same payment provisions.

## **TERM OF CONTRACT**

The initial term of contract to Customer under this schedule shall be not less than five (5) years. The term shall continue automatically until terminated by either party upon at least one (1) month's written notice.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 84

Adjustment Clause

GLT  
Gas Line Tracker

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## APPLICABLE

Applicable to all customers receiving service under the Company's Rate Schedules RGS, VFD, CGS, IGS, AAGS, and DGGS.

## CALCULATION OF THE GAS LINE TRACKER REVENUE REQUIREMENT

The GLT Revenue Requirement includes the following:

- a. GLT related Plant In-Service not included in base gas rates minus the associated GLT related accumulated depreciation and accumulated deferred income taxes;
- b. Retirement and removal of plant related to GLT construction;
- c. The rate of return on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes;
- d. Depreciation expense on the GLT-related Plant In-Service less retirement and removals; and
- e. Incremental Operation and Maintenance

## GLT PROGRAM FACTORS

All customers receiving service under rate schedules RGS, VFD, CGS, IGS, AAGS, and DGGS shall be assessed an adjustment to their applicable rate schedule that will enable the Company to recover the costs associated with the GLT program. After the Company replaces a gas service riser or a gas service line under this program, it will assume ownership and responsibility for the plant and equipment. The allocation of the program cost to customers will be in proportion to their relative base revenue share approved in Case No. 2012-00222.

A filing to update the projected program costs will be submitted annually at least two (2) months prior to the beginning of the effective period. The filing will reflect the anticipated impact on the Company's revenue requirements of net plant additions expected during the upcoming year. After the completion of a plan year, the Company will submit a balancing adjustment to true up the actual costs with the projected program costs for the preceding year. Such adjustment to the GLT will become effective with the first billing cycle on or after the effective date of such change.

## GLT RATES

The charges for the respective gas service schedules for the first billing cycle of January 2013 are:

RGS – Residential Gas Service	\$ 2.27
VFD – Volunteer Fire Department Service	\$ 2.27
CGS – Commercial Gas Service	\$ 11.24
IGS – Industrial Gas Service	\$ 90.32
AAGS – As-Available Gas Service	\$498.09
DGGS – Distributed Generation Gas Service	\$ 0

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 85

Adjustment Clause

GSC  
Gas Supply Clause

## APPLICABLE TO

All gas sold.

## GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost	\$0.42122
Gas Cost Actual Adjustment (GCAA)	(0.00704)
Gas Cost Balance Adjustment (GCBA)	0.00146
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:	
Refund Factor Effective February 1, 2012	(0.00041)
Refund Factor Effective May 1, 2012	(0.00044)
Refund Factor Effective August 1, 2012	(0.00044)
Refund Factor Effective November 1, 2012	<u>0.00000</u>
Total Refund Factor	(0.00129)
Performance-Based Rate Recovery Component (PBRRC)	<u>0.01066</u>
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	\$0.42501

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Date of Issue:

Date Effective: November 1, 2012

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



# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 85.1

## Adjustment Clause

## GSC Gas Supply Clause

The bill amount computed under each of the rate schedules to which this Gas Supply Clause is applicable shall include a Gas Supply Cost Component per 100 cubic feet of consumption calculated for each three-month period in accordance with the following formula:

$$\text{GSCC} = \text{Gas Supply Cost} + \text{GCAA} + \text{GCBA} + \text{RF} + \text{PBRRC}$$

where:

Gas Supply Cost is the expected average cost per 100 cubic feet for each three-month period (beginning February 1, May 1, August 1, or November 1, as the case may be) determined by dividing the sum of the monthly gas supply costs by the expected deliveries to customers. Monthly gas supply cost is composed of the following: T

(a) Expected purchased gas costs (gas supply and pipeline transportation) for system supply, minus T  
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(b) Portion of such expected purchased gas costs expected to be used for non-Gas Department purposes, minus T

(c) Portion of such expected purchased gas cost expected to be injected into underground storage, plus T

(d) Expected underground storage withdrawals at the average unit cost of working gas contained therein;

(GCAA) is the Gas Cost Actual Adjustment per 100 cubic feet which compensates for differences between the previous three-month period's expected gas cost and the actual cost of gas during that three-month period, plus net uncollectible gas cost portion of bad debt. T  
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(GCBA) is the Gas Cost Balance Adjustment per 100 cubic feet which compensates for any under- or over-collections which have occurred as a result of prior adjustments. T

(RF) is the sum of the Refund Factors set forth on Sheet No. 85 of this Tariff. T  
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(PBRRC) is the amount per 100 cubic feet calculated pursuant to the Experimental Performance-Based Rate Mechanism contained in the Adjustment Clause PBR. The PBRRC is determined for each 12-month PBR period ended October 31.

Company shall file a revised Gas Supply Cost Component (GSCC) every three months giving effect to known changes in the wholesale cost of all gas purchases and the cost of gas deliveries from underground storage. The Company may make out-of-time filings when warranted. Such filing shall be made at least thirty (30) days prior to the beginning of each three-month period and shall include the following information:

1. A copy of the tariff rate(s) of Company's pipeline transporter(s) applicable to such three-month period. T

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 85.2

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## Adjustment Clause

## GSC Gas Supply Clause

2. A statement, through the most recent three-month period for which figures are available, setting out the accumulated costs recovered hereunder compared to actual gas supply costs recorded on the books. T  
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3. A statement setting forth the supporting calculations of the Gas Supply Cost and the Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) applicable to such three-month period.

To allow for the effect of Company's cycle billing, each change in the GSCC shall be placed into effect with service rendered on and after the first day of each three-month period.

In the event that Company receives from its supplier a cash refund of amounts paid to such supplier with respect to a prior period, Company will make adjustments in the amounts charged to its customers under this provision, as follows: T  
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1. The "Refundable Amount" shall be the amount received by Company as a refund less any portion thereof applicable to gas purchased for electric energy production plus interest at a rate equal to the average of the "3-month commercial paper rate" for the immediately preceding 12-month period, less ½ of 1 percent to cover the cost of refunding in accordance with the Order of the Commission in Case No. 7799-D. Such Refundable Amount shall be divided by the number of hundred cubic feet of gas that Company estimates it will sell to its customers during the twelve-month period which commences with implementation of the next Gas Supply Clause filing, thus determining a "Refund Factor." T  
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2. Effective with the implementation of the next Gas Supply Clause filing, Company will reduce, by the Refund Factor so determined, the Gas Supply Cost Component that would otherwise be applicable during the subsequent twelve-month period. Provided, however, that the period of reduced Gas Supply Cost Component will be adjusted, if necessary, in order to refund, as nearly as possible, the Refundable Amount.
3. In the event of any large or unusual refunds, Company may apply to the Public Service Commission of Kentucky for the right to depart from the refund procedure herein set forth.

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**Date of Issue:**

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 86

Adjustment Clause

DSM

## Demand-Side Management Cost Recovery Mechanism

### APPLICABLE

In all territory served.

### AVAILABILITY OF SERVICE

This schedule is mandatory to Residential Gas Service Rate RGS, Volunteer Fire Department Rate VFD, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, As-Available Gas Service Rate AAGS, Firm Gas Transportation Rate FT, and Gas Transportation Service/Standby Rider TS, and Gas Transportation Service/Firm Balancing Rider TS-2. Any industrial gas customer who also receives electric service from the Company as an industrial customer, and has elected not to participate in a demand-side management program hereunder, shall not be assessed a charge pursuant to this mechanism.

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### RATE

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption in accordance with the following formula:

$$\text{DSMRC} = \text{DCR} + \text{DRLS} + \text{DSMI} + \text{DBA} + \text{DCCR}$$

Where:

#### DCR = DSM COST RECOVERY

The DCR shall include all expected costs that have been approved by the Commission for each twelve-month period for demand-side management programs that have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program.

The cost of approved programs shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DCR for such rate class.

#### DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff will be recovered as follows:

1. For each upcoming twelve-month period, the estimated reduction in customer usage (in Ccf) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per Ccf for purposes of determining the lost revenue to be recovered hereunder for each customer class. The non-variable revenue requirement is defined as the weighted average price per Ccf of expected Distribution Cost Component billings for the customer classes.

Date of Issue:

Date Effective: January 1, 2013

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

2. The lost revenues for each customer class shall then be divided by the estimated class sales (in Ccf) for the upcoming twelve-month period to determine the applicable DRLS surcharge. Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the DRLS for thirty-six (36) months or until implementation of new rates pursuant to a general rate case. For recovery purposes, the lost sales revenues will be assigned to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

**DSMI = DSM INCENTIVE.**

For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs that are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of Company's avoided costs over the expected life of the program, and will include both capacity and energy savings. For the Energy Education Program, the DSM incentive amount shall be computed by multiplying the annual cost of the approved program times five (5) percent.

The DSM incentive amount shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DSMI. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

**DBA = DSM BALANCE ADJUSTMENT.**

The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI, DCCR, and previous application of the DBA and the revenues that should have been billed, as follows:

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**Date of Issue:**

**Date Effective: With Bills Rendered On and After December 30, 2011**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 86.2

## Adjustment Clause

## DSM

### Demand-Side Management Cost Recovery Mechanism

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) For the DBA, the balance adjustment amount will be determined by calculating the difference between the amount billed during the twelve-month period from application of the DBA unit charges and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest to be calculated at a rate equal to the average of the "Three-Month Commercial Paper Rate" for the immediately preceding twelve-month period. The balance adjustment amounts, plus interest, shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DBA for each rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes for which over- or under-recoveries of DSM amounts were realized.

### **DCCR = DSM CAPITAL COST RECOVERY**

The DCCR component is the means by which the Company recovers its capital investments made for DSM programs, as well as an approved rate of return on such capital investments. The Company calculates the DCCR component as follows:

$$DCCR = [(RB) (ROR + (ROR - DR) (TR / (1 - TR)))] + OE$$

- a) RB is the total rate base for DCCR projects.
- b) ROR is the overall rate of return on DSM Rate Base (RB).
- c) DR is the composite debt rate (i.e., the cost of short- and long-term debt) embedded in ROR.
- d) TR is the composite federal and state income tax rate that applies to the equity return component of ROR.
- e) OE is the sum of the capital-related operating expenses (i.e., depreciation and amortization expense, property taxes, and insurance expense) of the DSM projects to which DCCR applies.

The Company then allocates the DCCR component to the rate class(es) benefitting from the Company's various DSM-related capital investment(s).

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### **Date of Issue:**

**Date Effective: With Bills Rendered On and After December 30, 2011**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

## **CHANGES TO DSMRC**

The filing of modifications to the DSMRC that require changes in the DCR component shall be made at least two (2) months prior to the beginning of the effective period for billing. Modifications to other components of the DSMRC shall be made at least thirty (30) days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies that have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

## **PROGRAMMATIC CUSTOMER CHARGES**

### **Residential Customer Program Participation Incentives:**

The following Demand Side Management programs are available to residential customers receiving service from the Company on the RGS and VFD Standard Gas Rate Schedules.

#### **Residential Conservation / Home Energy Performance Program**

The on-site audit offers a comprehensive audit from a certified auditor and incentives for residential customers to support the implementation of energy saving measures for a fee of \$25. Customers are eligible for incentives of \$500 or \$1,000 based on customer purchased and installed energy efficiency measures and validated through a follow-up test.

#### **Residential Low Income Weatherization Program (WeCare)**

The Residential Low Income Weatherization Program (WeCare) is an education and weatherization program designed to reduce energy consumption of LG&E's low-income customers. The program provides energy audits, energy education, blower door tests, and installs weatherization and energy conservation measures. Qualified customers could receive energy conservation measures ranging from \$0 to \$2,100 based upon the customer's most recent twelve month energy usage and results of an energy audit.

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**Date of Issue:**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Smart Energy Profile**

The Smart Energy Profile Program provides a portion of LG&E's highest consuming residential customers with a customized report of tips, tools and energy efficiency programming recommendations based on individual household energy consumption. These reports are benchmarked against similar properties in locality. The report will help the customer understand and make better informed choices as it relates to energy usage and the associated costs. Information presented in the report will include a comparison of the customer's energy usage to that of similar houses (collectively) and a comparison to the customer's own energy usage in the prior year.

**Residential New Construction Program**

The Residential New Construction program is designed to reduce residential energy usage and facilitate market transformation by creating a shift in builders' new home construction to include energy-efficient construction practices. Builders who are part of the program can take advantage of technical training classes, gain additional exposure to potential customers and receive incentives to help offset costs when including more energy-efficient features during home construction. LG&E will reimburse the cost of plan reviews and inspection costs related to an Energy Star or HERS home certification.

**Customer Education and Public Information**

These programs help customers make sound energy-use decisions, increase control over energy bills and empower them to actively manage their energy usage. Customer Education and Public Information is accomplished through two processes: a mass-media campaign and an elementary- and middle-school program. The mass media campaign includes public-service advertisements that encourage customers to implement steps to reduce their energy usage. The elementary and middle school program provides professional development and innovative materials to K-8 schools to teach concepts such as basic energy and energy efficiency concepts.

**Dealer Referral Network**

The Dealer Referral Network assists customers in identifying qualified service providers to install energy efficiency improvements recommended and/ or subsidized by the various energy efficiency programs.

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**Date of Issue:**

**Date Effective: May 31, 2012**

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

**Adjustment Clause**

**DSM**

**Demand-Side Management Cost Recovery Mechanism**

**Commercial Customer Program Participation Incentives:**

The following Demand Side Management programs are available to commercial customers receiving service from the Company on the CGS, IGS, AAGS, FT, TS, and TS-2 Standard Gas Rate Schedules and Riders.

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**Customer Education and Public Information**

These programs help customers make sound energy-use decisions, increase control over energy bills and empower them to actively manage their energy usage. Customer Education and Public Information is accomplished through two processes: a mass-media campaign and an elementary- and middle-school program. The mass media campaign includes public-service advertisements that encourage customers to implement steps to reduce their energy usage. The elementary and middle school program provides professional development and innovative materials to K-8 schools to teach concepts such as basic energy and energy efficiency concepts.

**Dealer Referral Network**

The Dealer Referral Network assists customers in identifying qualified service providers to install energy efficiency improvements recommended and/ or subsidized by the various energy efficiency programs.

**Date of Issue:**

**Date Effective: January 1, 2013**

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



# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 86.6

Adjustment Clause

DSM

Demand-Side Management Cost Recovery Mechanism

## Monthly Adjustment Factors:

### Residential Rate RGS and Volunteer Fire Department Rate VFD

### Energy Charge

DSM Cost Recovery Component (DCR)	\$ 0.01210 per Ccf
DSM Revenues from Lost Sales (DRLS)	\$ 0.00241 per Ccf
DSM Incentive (DSMI)	\$ 0.00054 per Ccf
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00554 per Ccf
DSM Balance Adjustment (DBA)	\$ <u>(0.00350)</u> per Ccf
Total DSMRC for Rates RGS and VFD	\$ 0.01709 per Ccf

### Commercial Customers Served Under Firm Commercial Gas Service Rate CGS, As-Available Gas Service Rate AAGS, Firm Transportation Rate FT, Gas Transportation Service/Standby Rider TS, and Gas Transportation Service/Firm Balancing Service Rider TS-2

### Energy Charge

DSM Cost Recovery Component (DCR)	\$ 0.00077 per Ccf
DSM Revenues from Lost Sales (DRLS)	\$ 0.00000 per Ccf
DSM Incentive (DSMI)	\$ 0.00000 per Ccf
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00052 per Ccf
DSM Balance Adjustment (DBA)	\$ <u>0.00008</u> per Ccf
Total DSMRC for Rates CGS, AAGS, FT, TS, and TS-2	\$ 0.00137 per Ccf

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87

Adjustment Clause

PBR

Experimental Performance Based Rate Mechanism

## APPLICABLE

To all gas sold.

## RATE MECHANISM

The monthly amount computed under each of the rate schedules to which this Performance Based Ratemaking Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Component (**PBRRC**) at a rate per 100 cubic feet (Ccf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the Pipeline Supplier's Demand Component and the Gas Supply Cost Component of the Gas Supply Clause (GSC), respectively. The PBRRC shall be determined for each 12-month period ended October 31 during the effective term of this experimental performance based ratemaking mechanism, which 12-month period shall be defined as the PBR period.

The PBRRC shall be computed in accordance with the following formula:

$$\text{PBRRC} = \frac{\text{CSPBR} + \text{BA}}{\text{ES}}$$

Where:

**ES** = Expected Ccf sales, as reflected in Company's GSC filing for the upcoming 12-month period beginning February 1.

**CSPBR** = Company Share of Performance Based Ratemaking Mechanism savings or expenses. The CSPBR shall be calculated as follows:

$$\text{CSPBR} = \text{TPBRR} \times \text{ACSP}$$

Where:

**TPBRR** = Total Performance Based Ratemaking Results. The TPBRR shall be savings or expenses created during the PBR Period. TPBRR shall be calculated as follows:

$$\text{TPBRR} = (\text{GAIF} + \text{TIF} + \text{OSSIF})$$

### GAIF

**GAIF** = Gas Acquisition Index Factor. The GAIF shall be calculated by comparing the total annual Benchmark Gas Costs (**BGC**) for system supply natural gas purchases for the PBR period to the total annual Actual Gas Costs (**AGC**) for system supply natural gas purchases during the same period to determine if any Shared Expenses or Shared Savings exist.

The BGC shall include two benchmark components as follows:

$$\text{BGC} = \text{TABMGCC} + \text{HRF}$$

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Date of Issue:

Date Effective: October 26, 2001

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.1

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## Adjustment Clause

## PBR

### Experimental Performance Based Rate Mechanism

Where:

**TABMGCC** represents the Total Annual Benchmark Gas Commodity Costs and is the annual sum of the monthly Benchmark Gas Commodity Costs (**BMGCC**) of gas purchased for system supply; and

**HRF** represents Historical Reservation Fees and is an annual dollar amount equal to Company's average annual supply reservation fees based on the 24-month period ended October 31 immediately preceding the PBR period.

**BMGCC** represents Benchmark Gas Commodity Costs and shall be calculated on a monthly basis and accumulated for the PBR period. BMGCC shall be calculated as follows:

$$\text{BMGCC} = \text{Sum} \{[\text{SZFQE}\%_i \times (\text{APV} - \text{PEFDCQ}) \times \text{SAI}_i]\} + [\text{PEFDCQ} \times \text{DAI}]$$

Where:

**SZFQE%** is the Supply Zone Firm Quantity Entitlement Percentage derived from Company's firm entitlements by pipeline and by zone for which indices are posted. The percentage represents the pro-rata portion of Company's firm lateral and mainline receipt point quantity entitlements by zone for each transportation contract by pipeline.

*i* represents each supply area.

**APV** is the actual purchased volumes of natural gas for system supply for the month. The APV shall include purchases necessary to cover retention volumes required by the pipeline as fuel.

**PEFDCQ** are the Purchases In Excess of Firm Daily Contract Quantities delivered to Company's city gate. Firm Daily Contract Quantities are the maximum daily contract quantities which Company can deliver to its city gate under its various firm transportation agreements and arrangements.

**SAI** is the Supply Area Index factor to be established for each supply area in which Company has firm transportation entitlements used to transport its natural gas purchases and for which price postings are available. The five supply areas are TGT-SL (Texas Gas Transmission - Zone SL), TGT-1 (Texas Gas Transmission - Zone 1), TGT-4 (Texas Gas Transmission - Zone 4), TGPL-0 (Tennessee Gas Pipeline - Zone 0), and TGPL-1 (Tennessee Gas Pipeline - Zone 1).

The monthly SAI for TGT-SL, TGT-1, TGT-4, TGPL-0 and TGPL-1 shall be calculated using the following formula:

$$\text{SAI} = [I(1) + I(2) + I(3)] / 3$$

**DAI** is the Delivery Area Index to be established for purchases made by Company when Company has fully utilized its pipeline quantity entitlements on a daily basis and which are for delivery to Company's city gate from either Texas Gas Transmission's Zone 4 or Tennessee Gas Pipeline's Zone 2.

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.2

Adjustment Clause

PBR

Experimental Performance Based Rate Mechanism

The monthly DAI for TGT-4 and TGPL-2 shall be calculated using the following formula:

$$DAI = [I(1) + I(2) + I(3)] / 3$$

Where:

I represents each index reflective of both supply area prices and price changes throughout the month in these various supply areas.

The indices for each supply zone are as follows:

## SAI (TGT-SL)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Platts Gas Daily* postings for Louisiana - Onshore South Texas Gas Zone SL averaged for the month. T

I(3) is the *Platts Inside FERC's Gas Market Report* first-of-the-month posting for Texas Gas Zone SL. T

## SAI (TGT-1)

I(1) is the average of weekly *Natural Gas Week* postings for North Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Platts Gas Daily* postings for East Texas - North Louisiana Area - Texas Gas Zone 1 averaged for the month. T

I(3) is the *Platts Inside FERC's Gas Market Report* first-of-the-month posting for Texas Gas Zone1. T

## SAI (TGT-4)

I(1) is the average of weekly *Natural Gas Week* postings for Spot Prices on Interstate Pipeline Systems for Lebanon Hub.

I(2) is the average of the daily high and low *Platts Gas Daily* postings for Appalachia – Lebanon Hub averaged for the month. T

I(3) is the *Platts Inside FERC's - Gas Market Report* first-of-the-month posting for Northeast – Lebanon Hub. T

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Date of Issue:

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.3

Adjustment Clause

PBR

Experimental Performance Based Rate Mechanism

## SAI (TGPL-0)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Texas as Delivered to Pipeline.

I(2) is the average of the daily high and low *Platts Gas Daily* postings for South – Corpus Christi-Tennessee averaged for the month. T

I(3) is the *Platts Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee Zone 0. T

## SAI (TGPL-1)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Platts Gas Daily* postings for Louisiana – Onshore South – Tennessee 500 Leg averaged for the month. T

I(3) is the *Platts Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee 500 leg. T

## DAI (TGT-4) and (TGPL-2)

I(1) is the average of weekly *Natural Gas Week* postings for Spot Prices on Interstate Pipeline Systems for Dominion - South.

I(2) is the average of the daily high and low *Platts Gas Daily* postings for the Daily Price Survey for Appalachia - Dominion South Point. T

I(3) is the *Platts Inside FERC's - Gas Market Report* first-of-the-month posting for Prices of Spot Gas Delivered to Pipeline for Dominion Transmission Inc. - Appalachia. T

**AGC** represents Company's total annual Actual Gas Costs of natural gas purchased for system supply and is equal to the total monthly actual gas commodity costs and supply reservation fees plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments paid by Company to its suppliers accumulated for the PBR period. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.4

Adjustment Clause

PBR

Experimental Performance Based Rate Mechanism

To the extent that AGC exceeds BGC for the PBR period, then the GAIF Shared Expenses shall be computed as follows:

$$\text{Shared Expenses} = \text{AGC} - \text{BGC}$$

To the extent that AGC is less than BGC for the PBR period, then the GAIF Shared Savings shall be computed as follows:

$$\text{Shared Savings} = \text{BGC} - \text{AGC}$$

## TIF

**TIF** = Transportation Index Factor. The Transportation Index Factor shall be calculated by comparing the Total Annual Benchmark Monthly Gas Transportation Costs (**TABMGTC**) of natural gas transportation services during the PBR period, to the Total Annual Actual Gas Transportation Costs (**TAAGTC**) applicable to the same period to determine if any Shared Expenses or Shared Savings exist.

The Total Annual Benchmark Monthly Gas Transportation Costs (**TABMGTC**) are calculated as follows:

$$\text{TABMGTC} = \text{Annual Sum of Monthly BMGTC}$$

Where:

**BMGTC** is the Benchmark Monthly Gas Transportation Costs which include both demand and volumetric costs associated with natural gas pipeline transportation services. The BMGTC shall be accumulated for the PBR period and shall be calculated as follows:

$$\text{BMGTC} = \text{Sum} [\text{BM(TGT)} + \text{BM(TGPL)} + \text{BM(PPL)}]$$

Where:

**BM(TGT)** is the benchmark associated with Texas Gas Transmission Corporation.

**BM(TGPL)** is the benchmark associated with Tennessee Gas Pipeline Company.

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**Date of Issue:**

**Date Effective:** November 1, 2010

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.5

Adjustment Clause

PBR

## Experimental Performance Based Rate Mechanism

**BM(PPL)** is the benchmark associated with a proxy pipeline. The appropriate benchmark, which will be determined at the time of purchase, will be used to benchmark purchases of transportation capacity from non-traditional sources.

The benchmark associated with each pipeline shall be calculated as follows:

$$\mathbf{BM(TGT)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

$$\mathbf{BM(TGPL)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

$$\mathbf{BM(PPL)} = (\text{TPDR} \times \text{DQ}) + (\text{TPCR} \times \text{AV}) + \text{S\&DB}$$

Where:

**TPDR** is the applicable Tariffed Pipeline Demand Rate.

**DQ** is the Demand Quantities contracted for by Company from the applicable transportation provider.

**TPCR** is the applicable Tariffed Pipeline Commodity Rate.

**AV** is the Actual Volumes delivered at Company's city-gate by the applicable transportation provider for the month.

**S&DB** represents Surcharges, Direct Bills and other applicable amounts approved by the Federal Energy Regulatory Commission (FERC). Such amounts are limited to FERC-approved charges such as surcharges, direct bills, cashouts, take-or-pay amounts, Gas Supply Realignment and other Order 636 transition costs.

The Total Annual Actual Gas Transportation Costs (**TAAGTC**) paid by Company for the PBR period shall include both demand and volumetric costs associated with natural gas pipeline transportation services as well as all applicable FERC-approved surcharges, direct bills and cash-outs included in S&DB, plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

T

To the extent that TAAGTC exceeds TABMGTC for the PBR period, then the TIF Shared Expenses shall be computed as follows:

$$\mathbf{Shared\ Expenses = TAAGTC - TABMGTC}$$

To the extent that TAAGTC is less than TABMGTC for the PBR period, then the TIF Shared Savings shall be computed as follows:

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**Date of Issue:**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.6

Adjustment Clause

PBR

Experimental Performance Based Rate Mechanism

**Shared Savings = TABMGTC - TAAGTC**

Should one of Company's pipeline transporters file a rate change effective during any PBR period and bill such proposed rates subject to refund, the period over which the benchmark comparison is made for the relevant transportation costs will be extended for one or more 12-month periods, until the FERC has approved final settled rates, which will be used as the appropriate benchmark. Company will not share in any of the savings or expenses related to the affected pipeline until final settled rates are approved.

## OSSIF

**OSSIF** = Off-System Sales Index Factor. The Off-System Sales Index Factor shall be equal to the Net Revenue from Off-System Sales (**NR**).

Net Revenue is calculated as follows:

$$\text{NR} = \text{OSREV} - \text{OOPC}$$

Where:

**OSREV** is the total revenue associated with off-system sales and storage service transactions.

**OOPC** is the out-of-pocket costs associated with off-system sales and storage service transactions, and shall be determined as follows:

$$\text{OOPC} = \text{OOPC}(\text{GC}) + \text{OOPC}(\text{TC}) + \text{OOPC}(\text{SC}) + \text{OOPC}(\text{UGSC}) + \text{Other Costs}$$

Where:

**OOPC(GC)** is the Out-of-Pocket Gas Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm supply contracts, the OOPC(GC) shall be the incremental cost to purchase the gas available under Company's firm supply contracts. For off-system sales not using Company's firm supply contracts, the OOPC(GC) shall be the incremental costs to purchase the gas from other entities.

**OOPC(TC)** is the Out-of-Pocket Transportation Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm transportation agreements, the OOPC(TC) shall be the incremental cost to use the transportation available under Company's firm supply contracts. For off-system sales not using Company's firm transportation agreements, the OOPC(TC) shall be the incremental costs to purchase the transportation from other entities.

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**Date of Issue:**

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



# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.7

Adjustment Clause

PBR

## Experimental Performance Based Rate Mechanism

**OOPC(SC)** is the Out-of-Pocket Storage Costs associated with off-system sales of storage. If this is gas in Company's own storage it shall be priced at the average price of the gas in Company's storage during the month of the sale. If this is gas from the storage component of Texas Gas's No-Notice Service, this gas shall be priced at the replacement cost.

**OOPC(UGSC)** is the Out-of-Pocket Underground Storage Costs associated with off-system sales of storage services. For the off-systems sales of storage services utilizing Company's on-system storage, the OOPC(UGSC) shall include incremental storage losses, odorization, and other fuel-related costs such as purification, dehydration, and compression. Such costs shall exclude labor-related expenses.

**Other Costs** represent all other incremental costs and include, but are not limited to, costs such as applicable sales taxes and excise fees plus the gains and/or losses from the use of financial hedging instruments and the transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

## ACSP

**ACSP** = Applicable Company Sharing Percentage. The ACSP shall be determined based on the PTAGSC.

Where:

**PTAGSC** = Percentage of Total Actual Gas Supply Costs. The PTAGSC shall be the TPBRR stated as a Percentage of Total Actual Gas Supply Costs and shall be calculated as follows:

$$\text{PTAGSC} = \frac{\text{TPBRR}}{\text{TAGSC}}$$

Where:

**TAGSC** = Total Actual Gas Supply Costs. The TAGSC shall be calculated as follows:

$$\text{TAGSC} = \text{AGC} + \text{TAAGTC}$$

If the absolute value of the PTAGSC is less than or equal to 4.5%, then the ACSP of 25% shall be applied to TPBRR to determine CSPBR. If the absolute value of the PTAGSC is greater than 4.5%, then the ACSP of 25% shall be applied to the amount of TPBRR that is equal to 4.5% of TAGSC to determine a portion of CSPBR, and the ACSP of 50% shall be applied to the amount of TPBRR that is in excess of 4.5% of TAGSC to determine a portion of CSPBR. These two portions are added together to produce the total CSPBR.

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**Date of Issue:**

**Date Effective:** November 1, 2010

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 87.8

Adjustment Clause

PBR

Experimental Performance Based Rate Mechanism

## BA

**BA** = Balance Adjustment. The BA is used to reconcile the difference between the amount of revenues billed or credited through the CSPBR and previous application of the BA and revenues which should have been billed or credited, as follows:

- 1) For the CSPBR, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the CSPBR and the actual amount used to establish the CSPBR for the period.
- 2) For the BA, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the BA and the actual amount used to establish the BA for the period.

## Review

Within 60 days of the end of the fourth year of the five-year extension, Company will file an assessment and review of the PBR mechanism for the first four years of the five-year extension period. In that report and assessment, Company will make any recommended modifications to the PBR mechanism.

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**Date of Issue:**

**Date Effective: November 1, 2010**

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

**Adjustment Clause**

**WNA**

**Weather Normalization Adjustment Clause Applicable to Rates RGS and CGS**

**WEATHER NORMALIZATION ADJUSTMENT (WNA)**

The sales to Residential and Commercial Customers under Rate Schedules RGS and CGS shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

**Determination of WNA**

Weather normalized volumes shall be utilized during the November through April billing periods to calculate the non-gas portion of the bills of all heating Customers served under Rate Schedules RGS and CGS. During the remainder of the year, May through October, the bills shall be computed based on actual consumption.

Weather Normalization Adjustment will be calculated using the following formula:

$$\text{WNA} = [(\text{Actual Mcf} - \text{Base Load Mcf}) * (\text{Normal Degree Days}/\text{Actual Degree Days})]$$

Each Customer's base load will be determined individually, and will be recomputed annually. Rates used in the computation of the WNA shall be determined based on the applicable base rate charge as set forth on the RGS and CGS Rate Schedules.

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**Date of Issue:**

**Date Effective: September 27, 2000**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 90

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## Adjustment Clause

## Franchise Fee

### APPLICABILITY

All gas rate schedules.

### MONTHLY CHARGE

A surcharge shall be calculated and added to the total bill for gas service for all customers located within local governmental jurisdictions which currently or in the future impose municipal franchise fees or other local taxes on the Company by ordinance, franchise, or otherwise. Such fees or taxes shall be net of any corresponding fees or taxes which are currently included in the base charges of each rate schedule.

The amount calculated shall be applied exclusively to the bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. The fee or tax shall be added to the customer's bill as a separate item. Where more than one such fee or tax is imposed, each of the fees or taxes applicable to each customer shall be added to the bills as separately identified items.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 91

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Adjustment Clause

ST  
School Tax

## **APPLICABLE**

In all territory served.

## **AVAILABILITY OF SERVICE**

This schedule is applied as a rate increase to all other schedules pursuant to KRS 160.617 for the recovery by the utility of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

## **RATE**

The utility gross receipts license tax authorized under state law.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 92

**Adjustment Clause**

**HEA**  
**Home Energy Assistance**

**APPLICABLE**

In all territory served.

**AVAILABILITY**

To all residential customers.

**RATE**

\$0.25 per meter per month.

**BILLING**

The HEA charge shall be shown as a separate item on customer bills.

**SERVICE PERIOD**

The Home Energy Assistance charge will be applied to all residential gas bills rendered during the billing cycles commencing January 1, 2013 until the effective date of new base rates, or as otherwise directed by the Public Service Commission. The HEA program is approved through September 30, 2015. Proceeds from this charge will be used to fund residential low-income demand-side management Home Energy Assistance programs which have been designed through a collaborative advisory process and then filed with, and approved by, the Commission.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Customer Bill of Rights

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service, if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days, provided you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March.
- If you have been disconnected due to non-payment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
  - 1) Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
  - 2) Pay one third (1/3) of your outstanding bill (\$200 maximum), and
  - 3) Accept referral to the Human Resources' Weatherization Program, and
  - 4) Agree to a repayment schedule that will cause your bill to become current by October 15.
- You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (call Toll Free 1-800-772-4636).

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

## TERMS AND CONDITIONS

### General

#### **COMMISSION RULES AND REGULATIONS**

All gas service supplied by Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

#### **COMPANY TERMS AND CONDITIONS.**

In addition to the rules and regulations of the Commission, all gas service supplied by Company shall be in accordance with these Terms and Conditions which shall constitute a part of all applications and contracts for service.

#### **RATES, TERMS AND CONDITIONS ON FILE**

A copy of the rate schedules, terms, and conditions under which gas service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, terms and conditions, together with the law, rules, and regulations of the Commission, is available for public inspection in each office of Company where bills may be paid.

#### **ASSIGNMENT**

No order for service, agreement or contract for service may be assigned or transferred without the written consent of Company.

#### **RENEWAL OF CONTRACT**

If, upon the expiration of any service contract for a specified term, the customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one (1) year each, subject to termination at the end of any year upon thirty (30) days prior written notice by either party.

#### **AGENTS CANNOT MODIFY AGREEMENT WITHOUT CONSENT OF P.S.C. OF KY.**

No agent has power to amend, modify, alter, or waive any of these Terms and Conditions, or to bind Company by making any promises or representations not contained herein.

#### **SUPERSEDE PREVIOUS TERMS AND CONDITIONS**

These Terms and Conditions supersede all terms and conditions under which Company has previously supplied gas service

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**Date of Issue:**

**Date Effective: August 1, 2010**

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



## TERMS AND CONDITIONS

### Customer Responsibilities

#### APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before Company is obligated to render gas service. Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using gas service is clearly outside the scope of Company's standard rate schedules, Company may establish special terms and require special contracts giving effect to such unusual circumstances.

#### TRANSFER OF APPLICATION

Applications for gas service are not transferable and new occupants of premises will be required to make application for service before commencing the use of gas. Customers who have been receiving gas service shall notify Company when discontinuance of service is desired, and shall pay for all gas service furnished until such notice has been given and final meter readings made by Company.

#### OPTIONAL RATES

If two or more rate schedules are available for the same class of service, it is Customer's responsibility to determine the options available and to designate the schedule under which Customer desires to receive service.

Company will, at any time, upon request, advise any Customer as to the most advantageous rate for existing or anticipated service requirements as defined by the Customer, but Company does not assume responsibility for the selection of such rate or for the continuance of the lowest annual cost under the rate selected.

In those cases in which the most favorable rate is difficult to predetermine, the Customer will be given the opportunity to change to another schedule, unless otherwise prevented by the rate schedule under which Customer is currently served, after trial of the schedule originally designated; however, after the first such change, Company shall not be required to make a change in schedule more often than once in twelve months.

From time to time, Customer should investigate Customer's operating conditions to determine a desirable change from one available rate to another. Company, lacking knowledge of changes that may occur at any time in Customer's operating conditions, does not assume responsibility that Customers will at all times be served under the most beneficial rate.

In no event will Company make refunds covering the difference between the charges under the rate in effect and those under any other rate applicable to the same class of service.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

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## TERMS AND CONDITIONS

### Customer Responsibilities

#### **CUSTOMER'S EQUIPMENT AND INSTALLATION.**

Customer shall furnish, install, and maintain at Customer's expense the necessary Customer's Service Line extending from Company's Service Connection at the property line to the building or place of utilization of the gas.

All piping, appliances, and other gas equipment and apparatus, except the meter, regulator, and any gas riser or service line the Company has installed, repaired, or replaced, located on and within the Customer's premises beyond point of connection with Company's Service Connection at the property line shall be furnished and installed by and at the expense of Customer, and shall be maintained by Customer in good and safe condition. Company assumes no responsibility whatsoever for the condition of Customer's piping, apparatus or appliances, nor for the maintenance or renewal of any portion thereof.

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#### **OWNER'S CONSENT TO OCCUPY**

Customer shall grant easements and rights-of-way on and across Customer's property at no cost to Company.

#### **ACCESS TO PREMISES AND EQUIPMENT**

Company shall have the right of access to Customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of gas service or for the purpose of turning on and shutting off the gas supply when necessary and for all other proper purposes. Customer shall not construct or permit the construction of any structure or device which will restrict the access of Company to its equipment for any of the above purposes.

#### **PROTECTION OF COMPANY'S PROPERTY**

Customers will be held responsible for tampering, interfering with, breaking of seals of meters, or other equipment of Company installed on Customer's premises, and will be held liable for same according to law. Customer hereby agrees that no one except the employees of Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus which shall be the property of Company.

#### **EXCLUSIVE SERVICE ON INSTALLATION CONNECTED**

Gas service shall not be used for purposes other than as set forth in customer's application or contract.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Customer Responsibilities

#### **EXCLUSIVE SERVICE ON INSTALLATION CONNECTED (continued)**

Company shall not be obligated to provide natural gas or natural gas service under any standard natural gas rate schedule on a standby, back-up, supplemental or other basis to any Customer that is physically connected to the facilities of any other provider of natural gas service, such other providers to include, but not be limited to, another natural gas local distribution company, public, private, or municipal; a producer, gatherer, or transmitter of natural gas; an interstate or intrastate natural gas pipeline; or any other entity (including the Customer itself acting in any one or more of these roles) that provides natural gas or natural gas service to residential, commercial, industrial, public authority, or any other type of customers which might otherwise receive natural gas from Company. Company and Customer may mutually agree to enter into a special contract for standby, back-up, supplemental or other service subject to the approval of the Kentucky Public Service Commission.

#### **LIABILITY**

Customer assumes all responsibility for the gas service upon Customer's premises at and from the point of delivery of gas and for the pipes and equipment used in connection therewith, and will protect and save Company harmless from all claims for injury or damage to persons or property occurring on Customer's premises or at and from the point of delivery of gas, occasioned by such gas or said pipes and equipment, except where said injury or damage will be shown to have been occasioned solely by the negligence of Company.

#### **NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD**

The service pipes, meters, and appurtenances supplied by Company for the rendition of gas service to its customers have a definite capacity. In the event that Customer contemplates any material increase in Customer's connected load, whether in a single increment or over an extended period, Customer shall immediately give Company written notice of this fact so as to enable it to enlarge the capacity of such equipment. In case of failure to give such notice, Customer may be held liable for any damage done to meters, regulators, or other equipment of Company caused by such material increase in Customer's connected load.

#### **PERMITS**

Customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give Company or its agents access to Customer's premises and equipment and to enable its service to be connected therewith. In case Customer is not the owner of the premises or of intervening property between the premises and Company's distribution mains, Customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and across such intervening property of Customer's piping and facilities required for the supply of gas service to Customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, Company shall obtain the aforementioned consent.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Customer Responsibilities

#### PERMITS (continued)

Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under Customer's application until a reasonable time after such permits are granted.

#### COMPANY-OWNED SERVICE LINES

The Company will install, own, operate and maintain the service line at the premises of residential and commercial customers, if such premises are not connected to a Company main by a service line. With respect to residential and commercial customers that occupy premises already connected to a Company main by a service line that the Company has installed, repaired, or replaced, the Company shall be responsible for operating and maintaining the customer service line and when the Company determines that replacement of such customer service line is necessary the Company shall be responsible for installing the service line and shall thereafter own the service line.

Any customer accepting gas service under this section shall be deemed to have granted the Company an easement across his property for such service. No service line shall be installed across private property other than the premises of the building to be supplied with gas, except after special investigation and approval by the Company.

When the length of the service pipe required between the property line and the meter is 100 feet or less, the Company will assess no charge for the service pipe installation.

When the length of required service pipe exceeds 100 feet, the Company may require the applicant to contribute toward the cost of the service line installation an amount equal to the estimated cost per foot for each lineal foot of service beyond 100 feet. Contributions by customers toward the Company's cost of furnishing and installing service lines in accordance with this section are non-refundable.

In the event that the Company is required to undertake any excavation on a customer's property in connection with the installation, repair, maintenance or replacement of a service line, the Company shall make reasonable efforts to restore the property to its original condition pursuant to generally accepted utility standards for such construction operations.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Company Responsibilities

#### METERING

The gas used will be measured by a meter or meters to be furnished and installed by Company at its expense and all bills will be calculated upon the registration of said meters. When service is supplied by Company at more than one delivery point on the same premises, each delivery point will be metered and billed separately on the rate applicable. Meters include all measuring instruments. Meters will be located outside whenever possible. Otherwise, meters will be located as near as possible to the service entrance and on the ground floor of the building, in a clean, dry, safe and easily accessible place, free from vibration, agreed to by Company.

#### POINT OF DELIVERY OF GAS

The point of delivery of gas supplied by Company shall be at the point where the gas passes from the pipes of Company's Service Connection into Customer's Service Line, irrespective of the location of the metering and regulating equipment.

If the Service Line is owned by the Customer, the point of delivery of gas supplied by the Company shall be at the point where the gas passes from the pipes of Company's Service Connection into Customer's Service Line, irrespective of the location of the metering and regulation equipment.

If the Service Line is owned by the Company, the point of delivery of gas supplied by the Company shall be at the point where the gas passes from the outlet of the meter to the Customer's yard line or house piping.

#### COMPANY'S EQUIPMENT AND INSTALLATION

The Company shall furnish, install, and maintain at its expense the necessary service connection. The location of this service connection will be made at the discretion and judgment of the Company.

The Company will furnish, install, and maintain at its expense the necessary meter, regulator, and connections which will be located at or near the building, at the discretion or judgment of the Company. Suitable site or location for the meter, meter stand (including meter riser), and regulator and connections shall be provided by the Customer and title to this equipment shall remain in the Company with the right to install, operate, maintain, and remove same and no charge shall be made by the Customer for use of the premises as occupied or used. Customer shall protect such property of Company from loss or damage, and no one who is not an agent of Company shall be permitted to remove, damage or tamper with the same. Customer shall execute a reasonable form of easement agreement, if requested by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to Customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish Company with realistic estimates of prospective gas requirements.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Company Responsibilities

#### COMPANY NOT LIABLE FOR INTERRUPTIONS

Company will exercise reasonable care and diligence in an endeavor to supply gas service continuously and without interruption, except as provided in the terms of certain rate schedules; however, Company does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of gas service not caused by the willful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of Company.

#### COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

Company is merely a supplier of gas service delivered at Company's property line, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of the Customer or of third persons resulting from the presence, use or abuse of gas on the Customer's premises or resulting from defects in or accidents to any of Customer's piping, equipment, apparatus or appliances, or resulting from any cause whatsoever other than the negligence of Company.

#### LIABILITY

In no event shall Company have any liability to the Customer or any other party affected by the gas service to the Customer for any consequential, indirect, incidental, special, or punitive damages, and such limitation of liability shall apply regardless of claim or theory. In addition, to the extent that Company acts within its rights as set forth herein and/or any applicable law or regulation, Company shall have no liability of any kind to the Customer or any other party. In the event that the Customer's use of Company's service causes damage to Company's property or injuries to persons, the Customer shall be responsible for such damage or injury and shall indemnify, defend, and hold Company harmless from any and all suits, claims, losses, and expenses associated therewith.

#### OBLIGATION TO SERVE

Company shall not be obligated to provide natural gas or natural gas service under any standard natural gas rate schedule on a standby, back-up, supplemental or other basis to any Customer that is physically connected to the facilities of any other provider of natural gas service, such other providers to include, but not be limited to, another natural gas local distribution company, public, private, or municipal; a producer, gatherer, or transmitter of natural gas; an interstate or intrastate natural gas pipeline; or any other entity (including the Customer itself acting in any one or more of these roles) that provides natural gas or natural gas service to residential, commercial, industrial, public authority, or any other type of customers which might otherwise receive natural gas from Company. Company and Customer may mutually agree to enter into a special contract for standby, back-up, supplemental or other service subject to the approval of the Kentucky Public Service Commission.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Company Responsibilities

#### **SPECIAL RULES FOR CUSTOMERS SERVED FROM HIGH PRESSURE MAINS, GAS TRANSMISSION MAINS, AND STORAGE GATHERING LINES**

In order to ensure the integrity, safe operations, and reliability of the Company's gas system, these special rules apply to customers served from high pressure mains, gas transmission mains, and storage gathering lines.

When a customer requests service from a high pressure main, gas transmission main, or storage gathering line under Rate RGS, CGS, IGS, VFD, AAGS, or FT, Company shall determine, in its sole discretion, if service is justified, feasible, and consistent with good operating practice.

Upon approval by Company of a request by a customer (or group of customers) for service from a high pressure main, gas transmission main, or storage gathering line, then Company may charge the customer (or group of customers) in addition to the charges under the applicable rate schedule, the estimated installed cost of the tap, any regulation equipment, piping, and any other equipment or facilities determined by Company, in its sole discretion, to be necessary to provide such service consistent with good operating practice.

In no case, shall Company be obligated to provide service to customers served under Rate DGGS from a high pressure main, gas transmission main, or storage gathering line.

#### **PURCHASE OF CERTAIN CUSTOMER-OWNED GAS SERVICE ENTRANCES AND RISERS.**

LG&E will reimburse its gas customers who have replaced their service entrances or gas risers (or both) between January 1, 2011 and December 31, 2012. Customers must notify LG&E if they desire such reimbursement. LG&E has no obligation to seek out such customers. LG&E will post on its website a notice of the availability of this reimbursement. The reimbursement will be in the amount of the customers' reasonable costs of replacing such service entrances or gas risers (or both), which must be demonstrated to LG&E's reasonable satisfaction. Customers disputing the amount of reimbursement may contact the Commission. LG&E will reimburse only owners of affected properties, each of whom must have owned the affected property at the time of the replacement of the service entrance or gas riser.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

**TERMS AND CONDITIONS**

**Character of Service**

**HEATING VALUE**

Company will normally supply natural gas having a heating value of approximately 1,000 Btu per cubic foot or as is otherwise supplied by the interstate pipeline(s) from which Company takes natural gas service. All gas received into the system of Company shall meet either of the applicable quality standards of the interstate pipeline delivering natural gas to Company or the lowest standard if there is more than one pipeline. Company reserves the right to refuse to accept gas from any entity whose gas does not meet those minimum standards. When it is necessary to supplement the supply of natural gas, Company reserves the right, at its discretion, to supplement its supply of natural gas with a mixture of vaporized liquefied petroleum gas and air.

**STANDARD PRESSURE AND MEASUREMENT BASE**

The standard distribution pressure of the gas supplied by Company is four ounces per square inch above atmospheric pressure.

Atmospheric pressure shall be assumed in all cases to be 14.5 pounds per square inch and temperature shall be assumed to be 60 degrees Fahrenheit; provided, however, Company reserves the right for billing purposes to correct as necessary the actual temperature to a 60 degree Fahrenheit basis in the case of large volume customers.

All gas measured at pressures higher than the standard pressure shall be converted to a pressure base of 14.73 pounds per square inch absolute for billing purposes.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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



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## TERMS AND CONDITIONS

### Billing

#### METER READINGS AND BILLS

Each bill for utility service shall be issued in compliance with 807 KAR 5:006, Section 6.

All bills will be based upon meter readings made in accordance with Company's meter reading schedule. Company, except if prevented by reasons beyond its control, shall read customers meters at least quarterly, except that customer-read meters shall be read at least once during the calendar year.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read Customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, Customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's electric or gas meter fails to register properly by reason of damage, accident, etc., Company shall have the right to estimate Customer's consumption during the period of failure on the basis of such factors as Customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where Company serves a customer with both electric and gas service at the same service location, Company will render a combined bill. However, a residential customer may request, and Company will render, separate bills under the following conditions: (1) Customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) Customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable at the office of Company during business hours, or at other locations designated by Company, within sixteen (16) business days (no less than twenty-two (22) calendar days) from the date of rendition thereof. If full payment is not received by the due date of the bill, a late payment charge will be assessed on the current month's charges. Beginning October 1, 2010, residential customers who receive a pledge for or notice of low income energy assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received, nor will they be assessed or required to pay a late payment charge in any of the eleven (11) months following receipt of such pledge or notice. There will be no adverse credit impact on the customer's payment and credit record, including credit scoring, both internally and externally, and the account will not be considered delinquent for any purpose if the Company receives the customer's payment within fifteen days after the date on which the Company issues the customer's bill.

Failure to receive a bill does not exempt Customer from these provisions of Company's Terms and Conditions.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Billing

#### READING OF SEPARATE METERS NOT COMBINED

For billing purposes, each meter upon Customer's premises will be considered separately and readings of two or more meters will not be combined except where Company's operating convenience requires the installation of two or more meters upon Customer's premises instead of one meter.

#### CUSTOMER RATE MIGRATION

Unless otherwise specified in the applicable rate schedule or rider, a change from one rate to another will be effective with the first full billing period following a customer's request for such change or with a rate change mandated by changes in a customer's load. In cases where a change from one rate to another necessitates a change in metering, the change from one rate to another will be effective with the first full billing period following the meter change.



#### MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual Customer consumption, Company will monitor the usage of each Customer at least once annually. In addition, Company may investigate usage deviations brought to its attention as a result of its ongoing meter reading or billing processor customer inquiry. Should an unusual deviation in the Customer's consumption be found which cannot be attributed to a readily identified cause, Company may perform a detailed analysis of the Customer's meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the Customer's meter reading and billing records, Company may contact Customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the Customer's service line. Where the deviation is not otherwise explained, Company will test Customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5). In addition to the annual monitoring, Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

#### RESALE OF GAS

Gas service furnished under Company's standard application or contract is for the use of Customer only and Customer shall not resell such gas to any other person, firm, or corporation on Customer's premises or for use on any other premises. This does not preclude Customer from allocating Company's billing to Customer to any other person, firm, or corporation provided the sum of such allocations does not exceed Company's billing.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

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## TERMS AND CONDITIONS

### Deposits

#### GENERAL

- 1) Company may require a cash deposit or other guaranty from customers to secure payment of bills in accordance with 807 KAR 5:006, Section 7 except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.
- 2) Deposits may be required from all customers not meeting satisfactory credit and payment criteria. Satisfactory credit for customers will be determined by utilizing independent credit sources (primarily utilized with new customers having no prior history with Company), as well as historic and ongoing payment and credit history with Company.
  - a) Examples of independent credit scoring resources include credit scoring services, public record financial information, financial scoring and modeling services, and information provided by independent credit/financial watch services.
  - b) Satisfactory payment criteria with Company may be established by paying all bills rendered, having no disconnections for nonpayment, having no late notices, having no defaulted credit arrangements, having no returned payments, having no meter diversion or theft of service
- 3) Company may offer residential customers the option of paying all or a portion of their deposits in installments over a period not to exceed the first four (4) normal billing periods. Service may be refused or discontinued for failure to pay and/or maintain the requested deposit.
- 4) Interest on deposits will be calculated at the rate prescribed by law, from the date of deposit, and will be paid annually either by refund or credit to Customer's bills, except that no refund or credit will be made if Customer's bill is delinquent on the anniversary date of the deposit. If interest is paid or credited to Customer's bill prior to twelve (12) months from the date of deposit, the payment or credit will be on a prorated basis. Upon termination of service, the deposit, any principal amounts, and interest earned and owing will be credited to the final bill, with any remainder refunded to Customer.
- 5) The General Terms and Conditions regarding Deposits set forth above shall not apply to, and shall be superseded by, the deposit requirements set forth in Section 3 of the Special Terms and Conditions contained in Standard Rate Rider PS-TS-2 (Sheet No. 59.5), Standard Rate Rider PS-TS (Sheet No. 60.1), and Standard Rate Rider PS-FT (Sheet No. 61.1).

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#### RESIDENTIAL

- 1) Residential customers are those customers served under Residential Gas Service, Sheet No. 5.
- 2) The deposit for a residential customer is in the amount of \$95.00, which is calculated in accordance with 807 KAR5:006, Section 7(1)(b). For combination gas and electric customers, the total deposit will be \$230.00.
- 3) Company shall retain Customer's deposit for a period not to exceed twelve (12) months, provided Customer has met satisfactory payment and credit criteria.
- 4) If a deposit is held longer than eighteen (18) months, the deposit will be recalculated, at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00, Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 5) If Customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

## TERMS AND CONDITIONS

### Deposits

#### OTHER SERVICE

- 1) The deposit for all other customers, those not classified herein as residential, shall not exceed 2/12 of Customer's actual or estimated annual bill where bills are rendered monthly in accordance with 807 KAR5:006, Section 7(1)(a).
- 2) For customers not meeting the parameters of GENERAL ¶ 2, Company may retain Customer's deposit as long as Customer remains on service.
- 3) For a deposit held longer than eighteen (18) months, the deposit will be recalculated, at Customer's request, and based on Customer's actual usage. If the deposit on account differs from the recalculated amount by more than ten percent (10%), Company may collect any underpayment and shall refund any overpayment by check or credit to Customer's bill. No refund will be made if Customer's bill is delinquent at the time of the recalculation.
- 4) If Customer fails to maintain a satisfactory payment or credit record, or otherwise becomes a new or greater credit risk, as determined by Company in its sole discretion, Company may require a new or additional deposit from Customer.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

## TERMS AND CONDITIONS

### Budget Payment Plan

Company's Budget Payment Plan is available to residential customers and to small commercial customers served under Rates CGS. Small business customers with combined gas and electric services must be served exclusively under General Service Rate GS for their electric service. Under this plan, a customer may elect to pay, each billing period, a budgeted amount in lieu of billings for actual usage. A customer may enroll in the plan at any time.

The budgeted amount will be determined by Company and will be based on one-twelfth of the customer's usage for either an actual or estimated twelve (12) months. The budgeted amount will be subject to review and adjustment by Company at any time during the customer's budget year. If actual usage indicates the customer's account will not be current with the final payment in the customer's budget year, the customer will be required to pay their Budget Payment Plan account to \$0 prior to the beginning of the customer's next budget year.

If a customer fails to pay bills as agreed under the Budget Payment Plan, Company reserves the right to remove the customer from the plan, restore the customer to regular billing and require immediate payment of any deficiency. A customer removed from the Budget Payment Plan for non-payment may be prohibited from further participation in the Plan for twelve (12) months.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

TERMS AND CONDITIONS

Bill Format



Customer Service: 1-800-331-7370 (M-F, 7 a.m. to 7 p.m. ET)
Telephone Payments: 1-800-331-7370; press 1-2-2-3 (24 hours a day; \$2.95 fee)
Walk-In Center: Open Mon-Fri 8 a.m. to 5 p.m. ET
Online Customer Self-Service: www.lge-ku.com (24 hours a day)

Table with 2 columns: DUE DATE, Pay This Amount. Values: 05/02/13, \$52.89

Late Payment Fees will be applied to current charges if the current amount due is not received in full by the payment due date on this bill even if payment arrangements have been made. Please have your account number available when calling to discuss your account.

ACCOUNT INFORMATION table containing Account Number, Account Name, Service Address, Next Read Will Occur, and Date Bill Mailed.

Averages for Billing Period table with columns: Billing Period, This Year, Last Year. Rows include Average Temperature, Number of Days Billed, and Gas/ccf per day.

BILLING SUMMARY table showing Previous Balance, Payment(s) Received, Balance as of 4/11, Current Gas Charges, Current Charges as of 04/11, and Total Amount Due.

GAS CHARGES table listing Rate Type, Basic Service Charge, Gas Distribution Charge, Gas Supply Component, Weather Normalization Adjustment, Gas DSM, Gas Line Tracker, Home Energy Assistance Fund Charge, Total Gas Charges, and Meter Reading Information.

Please see reverse side for additional charges.

Customer Service 1-800-331-7370

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Table with 6 columns: Account Number, Payment Due Date, Amount Due by Due Date, Amount Due After Due Date, Winter Help Donation, Amount Enclosed.

Check here if plan(s) requested on back of stub

OFFICE USE ONLY: BF, MRU1081170, G000000, P23.07, PF:Y eB:P



#13190062 4#, JOHN DOE, 1234 MAIN ST, LOUISVILLE KY 40026-9745

PO BOX 9001960, LOUISVILLE, KY 40290-1960

Service Address: 1234 Main St

PRINTED ON RECYCLED PAPER No. 11114

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Date of Issue:
Date Effective: January 1, 2013
Issued By: Lonnie E. Bellar, Vice President, State Regulation and Rates, Louisville, Kentucky

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 104.1

## TERMS AND CONDITIONS

### Bill Format

Account Number 3000-1111-2222 Page 2

BILLING INFORMATION	
Late Charge to be Assessed After Due Date	\$1.50

IMPORTANT INFORMATION
For a copy of your rate schedule, visit <a href="http://www.lge-ku.com">www.lge-ku.com</a> or call our Customer Service Department.
If you use mail to submit your payment, please update your records to reflect the new address (located on the front of the bill) stub) for our payment processing center. Remember, you can pay your bill on line when you sign in or register your account at <a href="http://my.lge-ku.com">my.lge-ku.com</a> .

New enrollment only - Please check box(es) below and on front of stub.

- Budget Plan
- I would like to enroll in Demand Conservation
- Auto Pay (voided check must be provided). Please note that any past due balance on your LG&E account will be debited from your bank account immediately upon enrollment in the Auto Pay program. To avoid unintended debits to your bank account, please make sure your LG&E account balance is current before enrolling in Auto Pay.
- Please deduct my Auto Pay Payment from my Checking Account.*  
*I hereby authorize LG&E to debit my bank account for payment of my monthly bill. This authorization applies to all my current and future LG&E accounts, and will remain in effect until revoked by me or LG&E.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Processing Auto Pay requests can take up to two billing cycles. Please continue making regular payments until you receive a bill that indicates the amount due will be deducted from your bank account on the payment due date.

Date of Issue:

Date Effective: January 1, 2013

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 104.2

## TERMS AND CONDITIONS

### Bill Format



Customer Service: 1-800-331-7370 (M-F, 7 a.m. to 7 p.m ET)  
Telephone Payments: 1-800-331-7370; press 1-2-2-3  
(24 hours a day; \$2.95 fee)  
Walk-in Center Hours: Open Mon-Fri 8 a.m. to 5 p.m. ET  
Online Customer Self-Service: [www.lge-ky.com](http://www.lge-ky.com) (24 hours a day)

DATE DUE	AMOUNT DUE
05/02/13	\$124.18

Late Payment Fees will be applied to current charges if the current amount due is not received in full by the payment due date on this bill even if payment arrangements have been made. Please have your account number available when calling to discuss your account.

ACCOUNT INFORMATION	
Account Number:	3000-0216-5900-28
Account Name:	JOHN DOE
Service Address:	1234 ANYWHERE ST
Next Read Will Occur:	05/08/13 - 05/10/13
Date Bill Mailed:	04/11/13 (Meter Read Portion 07)

Averages for Billing Period	This Year	Last Year
Average Temperature	63 °	54 °
Number of Days Billed	32	29
Electric/kwh per day	24.3	19.6
Gas/ccf per day	1.0	2.2

BILLING SUMMARY	
Previous Balance	102.30
Payment(s) as of 3/10 - 4/11	(102.30)
Balance as of 4/11	0.00
Electric Charges	71.30
Gas Charges	52.88
Utility Charges as of 04/11	124.18
Other Charges	
<b>Total Amount Due</b>	<b>124.18</b>

ELECTRIC CHARGES			
<b>Rate Type: Residential Electric Service</b>			
Basic Service Charge	8.50	Meter Reading Information	
Energy Charge (\$0.07242 x 778.00 kwh)	56.34	Meter # 70000	
Electric DSM (\$0.00287 x 778 kwh)	2.23	Actual Reading on 4/10/13	13124
Electric Fuel Adjustment (\$0.00472 x 778.00 kwh)	3.67	Previous Reading on 3/9/13	<u>12346</u>
Environmental Surcharge (0.560% x \$70.74)	0.40	Current kwh Usage	<u>778</u>
Home Energy Assistance Fund Charge	0.16	Meter Multiplier	<u>1</u>
<b>Total Electric Charges</b>	<b>\$71.30</b>	Metered kwh Usage	<u>778</u>

Please see reverse side for additional charges.

Customer Service 1-800-331-7370			PLEASE RETURN THIS PORTION WITH YOUR PAYMENT		
Account Number	Payment Due Date	Amount Due by Due Date	Amount Due After Due Date	Winter Help Donation	Amount Enclosed
3000-0216-5900-28	5/2/13	\$124.18	\$127.91	\$	\$

Check here if plan(s) requested on back of stub

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May 11, 2014



PO BOX 9001960  
LOUISVILLE, KY 40290-1960

Service Address: 1234 Main St

#131900082 4#  
JOHN DOE  
1234 MAIN ST  
LOUISVILLE KY 40028-8746

020000000000000000000000000000001245600000011895000000000000000

Date of Issue:

Date Effective: January 1, 2013

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



# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 104.3

## TERMS AND CONDITIONS

### Bill Format

Account Number 3000-0216-5900-28 Page 2

GAS CHARGES			
<b>Rate Type: Residential Gas Service</b>		<b>Meter Reading Information</b>	
Basic Service Charge	12.50	Meter # 45678	
Gas Distribution Charge (\$0.22396 x 35 ccf)	7.84	Actual Reading on 4/10/13	1922
Gas Supply Component (\$0.47423 x 35 ccf)	16.60	Previous Reading on 3/9/13	1887
Weather Normalization Adjustment (\$0.22396 x 58.850 ccf)	13.18	<b>Current ccf Usage</b>	<b>35</b>
Gas DSM (\$0.01709 x 35.00 ccf)	0.60	Meter Multiplier	1
Gas Line Tracker	2.00	<b>Metered ccf Usage</b>	<b>35</b>
Home Energy Assistance Fund Charge	0.16		
<b>Total Gas Charges</b>	<b>\$52.88</b>		

BILLING INFORMATION	
Late Charge to be Assessed After Due Date	\$3.73

IMPORTANT INFORMATION
<p>The power to save. It's in your hands. The amount of electricity you consumed during this billing cycle resulted in the production of approximately 1,558 pounds of CO2 (carbon). A typical residential customer uses 1,000 kilowatt hours of electricity per month, which would result in the production of 2,000 lbs. of carbon. Visit our Web site at <a href="http://www.lge-ku.com">www.lge-ku.com</a> for Smart Saver tips designed to help you better manage and lessen the environmental impact of your energy usage.</p> <p>For a copy of your rate schedule, visit <a href="http://www.lge-ku.com">www.lge-ku.com</a> or call our Customer Service Department.</p> <p>If you use mail to submit your payment, please update your records to reflect the new address (located on the front of the bill stub) for our payment processing center. Remember, you can pay your bill on line when you sign in or register your account at <a href="http://my.lge-ku.com">my.lge-ku.com</a>.</p>

New enrollment only - Please check box(es) below and on front of stub.

- Budget Plan
- I would like to enroll in Demand Conservation
- Auto Pay (voided check must be provided). Please note that any past due balance on your LG&E account will be debited from your bank account immediately upon enrollment in the Auto Pay program. To avoid unintended debits to your bank account, please make sure your LG&E account balance is current before enrolling in Auto Pay.

Please deduct my Auto Pay Payment from my Checking Account.  
I hereby authorize LG&E to debit my bank account for payment of my monthly bill. This authorization applies to all my current and future LG&E accounts, and will remain in effect until revoked by me or LG&E.

Signature: \_\_\_\_\_

Date of Issue:

Date Effective: January 1, 2013

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

## TERMS AND CONDITIONS

### Discontinuance of Service

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, Company shall have the right to refuse, or to discontinue, service to an applicant or customer under the following conditions:

- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce Customer to comply with its rules and then only after Customer has been given at least 10 days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on Customer's or Applicant's premises. In such case service will be discontinued without notice or refused, as the case might be. Company will notify Customer or Applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When Customer or Applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.
- D. When Applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When Customer or Applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. Service will not be supplied to any premises if Applicant or Customer is indebted to Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Service will not be continued to any premises if Applicant or Customer is indebted to Company for service previously supplied at the same premises in accordance with 807 KAR 5:006, Section 14(1)(f). Unpaid balances of previously rendered Final Bills may be transferred to any account for which Customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred. When there is no lapse in service, such transferred Final Bills will be subject to Company's collections and disconnect procedures in accordance with 807 KAR 5:006, Section 14(1)(f). Final Bills transferred following a lapse in service will not be subject to disconnection unless: (1) such service was provided pursuant to a fraudulent application submitted by Customer; (2) Customer and Company have entered into a contractual agreement which allows for such a disconnection; or (3) the current account is subsequently disconnected for service supplied at that point of delivery, at which time, all unpaid and past due balances must be paid prior to reconnect. Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

## TERMS AND CONDITIONS

### Discontinuance of Service

Service will not be supplied or continued to any premises if at the time of application for service Applicant is merely acting as an agent of a person or former customer who is indebted to Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where Applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.

- H. For non-payment of bills. Company shall have the right to discontinue service for non-payment of bills after Customer has been given at least ten days written notice separate from his original bill. Cut-off may be effected not less than twenty-seven (27) days after the mailing date of original bills unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than thirty (30) days from the original date of discontinuance. Company shall notify Customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.
  
- I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means Customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to Customer may be discontinued without notice. Within twenty-four (24) hours after such termination, Company shall send written notification to Customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. Company's right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. Company shall not be required to restore service until Customer has complied with all rules of Company and regulations of the Commission and Company has been reimbursed for the estimated amount of the service rendered and the cost to Company incurred by reason of the fraudulent use.

When service has been discontinued for any of the above reasons, Company shall not be responsible for any damage that may result therefrom.

Discontinuance or refusal of service shall be in addition to, and not in lieu of, any other rights or remedies available to Company.

Company may defer written notice based on Customer's payment history provided Company continues to provide the required ten (10) days written notice prior to discontinuance of service.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

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## TERMS AND CONDITIONS

### Gas Main Extension Rules

1. Company will extend its gas distribution mains at its own expense for a distance of one hundred (100) feet to each bona-fide applicant who agrees in writing to take service within one (1) year after the extension is completed and who has a suitable Customer's Service Line installed and ready for connection provided the following criteria are met:
  - a) The existing main is of sufficient capacity to properly supply the additional customer(s);
  - b) The customer(s) contracts to use gas on a continuous basis for one (1) year or more; and,
  - c) The potential consumption and revenue will be of such amount and permanence as to warrant the capital expenditures involved to make the investment economically feasible.
2. Company will extend its gas mains in excess of the above distance provided the applicant for service advances to Company an amount equal to the estimated cost of such excess portion of the extension. Company shall have the right to determine the length of the extension and to specify the pipe size and location of the extension, as well as the timing of its construction.
3. Where funds were advanced in accordance with paragraph 2 for extensions into developed residential neighborhoods and notwithstanding paragraph 1, any customer that subsequently connects to the main during a ten-year period from the effective date of the main extension contract shall advance to Company a pro rata share of the cost of the extension over 100 feet per connected customer.
4. For each new year-round customer connected to an extension in accordance with paragraph 3, Company will refund to the previous applicant(s) who advanced funds an amount equal to the difference between the refundable amount advanced and the amount of the advance so determined for the new applicant.
5. Company will extend its gas mains to serve a proposed real estate subdivision provided the applicant for such extension advances to Company an amount equal to the estimated cost of the total extension. Company shall have the right to determine the length of the extension and to specify the pipe size and the location of the extension, as well as the timing of its construction.
6. For each new year-round customer actually connected to the extension within a ten-year period following the effective date of the gas main extension contract, but not to extensions or laterals therefrom, Company will refund to applicant(s) who advanced funds in accordance with paragraph 5 above an amount equal to 100 times the average unit cost per foot of extension advanced by such applicant(s); provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to Company.
7. Company will install at its own expense a service pipe of suitable capacity extending from its gas main to the customer's property line beyond which point all necessary piping shall be installed by and at the expense of the customer and in a manner acceptable to Company.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

# Louisville Gas and Electric Company

P.S.C. Gas No. 9, Original Sheet No. 106.1

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## TERMS AND CONDITIONS

### Gas Main Extension Rules

8. Company will install at its own expense the necessary meter together with the regulator required to convert from medium pressure to service pressure. When a high pressure gas line is tapped to serve a customer or group of customers, Company may charge the customer or customers for the estimated installed cost of the tap, any regulation equipment, piping, and any other equipment or facilities determined by Company, in its sole discretion, to be necessary to provide such service consistent with good operating practice.
9. In the event Company is required to make a further extension of its mains to serve a customer, Company reserves the right to tap any extension constructed under these rules and to make connections from such additional extensions without application of the refunds referred to in paragraph 4 or 6 above.
10. The title to all extensions herein provided for, together with all necessary rights-of-way, permits and easements, shall be and remain in Company.
11. Company shall not be obligated to make service connections or to extend its gas mains in cases where such extensions or connections, in the sole judgment of Company would be infeasible, impractical, or contrary to good operating practice, or where such extensions are not in accordance with the terms of the applicable rate schedule.

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**Date of Issue:**

**Date Effective: August 1, 2010**

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

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## TERMS AND CONDITIONS

### Gas Service Restrictions

By Order dated September 5, 1973, in Case Nos. 5829 and 5839, the Public Service Commission of Kentucky authorized Company to incorporate in its gas tariff restrictions on the supply of gas service, occasioned by the inadequacy of gas supplies to meet customer demands. These restrictions have been modified from time to time by tariff filings authorized or approved by the Commission. Uncertainty as to future gas supply makes it necessary that Company continue to exercise control over the addition of gas loads to its system, as set forth in these rules.

1. **GENERAL.** Except as specifically provided in these rules, Company will not (a) initiate service to any new customer, location, or service point; (b) permit any commercial customer (including any governmental agency or institution) or any industrial customer to increase its connected load or to expand its gas requirements in any manner; or (c) permit any customer to change to another rate schedule for the purpose of obtaining a higher priority under Company's Tariff.
2. **NEW CUSTOMERS.** Until further notice, Company will accept applications for gas service to new customers as set forth below. Main extensions will be made in accordance with the Gas Main Extension Rules contained in this Tariff.
  - (a) **FOR SERVICE UNDER RATES RGS, VFD, CGS, DGGS, IGS, and FT.** Single family dwelling units individually metered. Commercial and industrial customers and multi-family residences served through a single meter. Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgment such is necessary in order to enable it to continue to supply reliable service to existing customers.
  - (b) **FOR SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve new customers with requirements in excess of those allowable under Rates RGS, VFD, CGS, DGGS, IGS, and FT when in its judgment actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.
3. **INCREASE IN SERVICE TO EXISTING CUSTOMERS.** Until further notice, Company will, upon application, permit increases in the connected gas load or the gas usage of commercial and industrial customers existing as of the effective date of these rules, as follows:
  - (a) **ADDITIONAL SERVICE UNDER RATES RGS, VFD, CGS, DGGS, IGS, and FT.** Company will permit the addition of connected gas loads under Rates RGS, VFD, CGS, DGGS, IGS, and FT. Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgment such is necessary in order to enable it to continue to supply reliable service to existing customers.
  - (b) **ADDITIONAL SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve existing customers with additional requirements in excess of those allowable under Rates RGS, VFD, CGS, DGGS, IGS, and FT when in its judgment actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

## TERMS AND CONDITIONS

### Gas Service Restrictions

4. **LOAD ADDITIONS TO BE AGGREGATED.** Limitations on new or additional gas loads as specified herein refer to the aggregate of loads added subsequent to the effective date of these rules, and not to individual increments made from time to time.
5. **VOLUMES OF GAS USAGE.** Daily and monthly volumes of gas usage may be established or increased to reflect additions of connected load or increased usage of connected load existing as of the effective date of these rules. For customers subject to curtailment under Company's Curtailment Rules, Monthly Base Period Volumes will be established or adjusted accordingly.
6. **TRANSFERS BETWEEN LOCATIONS.** Company may permit any customer to transfer his own gas entitlement from one location to another; provided, however, that transfers of service cannot be aggregated so as to exceed the limitations on connected load set forth in Paragraphs 2 and 3 above with respect to Rates RGS, VFD, CGS, DGGS, IGS, and FT.
7. **PRIORITY CONSIDERATIONS.** If at any time, Company is required to select among applicants for service as provided for in Paragraphs 2(b) or 3(b) above, it will, to the extent practicable, observe the following priorities in the order named:
  - (a) Schools, hospitals and similar institutions.
  - (b) Other commercial establishments.
  - (c) Industrial process and feedstock uses.
  - (d) Other industrial applications.
8. **LAPSE OF APPLICATIONS.** If any applicant for new or increased service under these rules is not ready to take such service within twelve (12) months from the date of application, such application shall be void. Any reapplication shall be subject to Company's rules in effect at the time thereof.
9. Applicants may make application for gas service beyond that provided for in these rules, to be initiated at such time as these rules may be terminated or modified so as to enable Company to provide the service applied for. Company will file such applications in the order of receipt and dispose of them as circumstances dictate.

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**Date of Issue:**

**Date Effective: February 6, 2009**

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

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## TERMS AND CONDITIONS

### Curtailement Rules

These rules are established to govern Company's available supply of gas to sales and transportation customers during periods of shortage or substantial reduction in the gas available to Company. These rules are designed to provide for curtailment or discontinuance of service made necessary by a deficiency in gas supply, capacity, or unforeseen emergency circumstances. These rules are designed to enable Company to continue to supply reliable gas service for residential and other human welfare purposes. These rules shall apply and continue in effect until lawfully modified or superseded under the regulatory jurisdiction of the Public Service Commission of Kentucky.

1. **DEFINITIONS** (for purposes of these Rules).

**COMMERCIAL CUSTOMERS:** Customers 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 as further described in Rate CGS.

**HUMAN NEEDS:** Residential and other customers whose facilities are used for residential dwellings on either a permanent or temporary basis or a facility providing critical emergency services (including, but not limited to, apartment buildings, correctional institutions, hospitals, nursing homes, assisted living facilities, hotels, motels, fire department stations, police stations, national guard facilities, and emergency response agency facilities).

**INDUSTRIAL CUSTOMERS:** Customers engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product, including, but not limited to, the generation of electric power as further described in Rate IGS and Rate DGGS.

**SMALL INDUSTRIAL CUSTOMER:** Any industrial customer whose aggregate of twelve Monthly Base Period Volumes is 10,000 Mcf or less.

**LARGE INDUSTRIAL CUSTOMER:** Any industrial customer whose aggregate of twelve Monthly Base Period Volumes exceeds 10,000 Mcf.

**PILOT LIGHT REQUIREMENTS:** Gas used on either a continuous or intermittent basis only for the ignition of the fuel in the main burner; does not include any gas used to preheat or atomize solid or liquid fuels.

**BASE PERIOD:** The twelve (12) months ending on the October 31 preceding the calendar year which is the subject of the implementation of any curtailments hereunder.

**MONTHLY BASE PERIOD VOLUMES:** Monthly volumes assigned to each customer determined from its gas consumption (including sales and transportation volumes) during the Base Period.

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**AUTHORIZED MONTHLY VOLUME:** The volume of gas authorized to be taken during a month and determined by deducting from the Monthly Base Period Volume the curtailment amount applicable for the month.

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**Date of Issue:**

**Date Effective:** January 1, 2013

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



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## TERMS AND CONDITIONS

### Curtailement Rules

Some customers may have usage falling within more than one (1) of the above categories; as such, these customers may be required to segregate their total usage accordingly.

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2. **COMBINATION OF AUTHORIZED MONTHLY VOLUMES.** Subject to a written application by a customer and acceptance thereof by Company, Company may permit any customer served through more than one point of delivery at any location, or any person, corporation or entity served with gas at more than one location, to take gas through the points or at the locations of its choosing, provided that the gas so taken will not exceed the combined Authorized Monthly Volumes applicable to such points of delivery, and provided that only volumes purchased under rate schedules subject to Pro-Rata Curtailement may be so combined. Gas taken through each individual point of delivery will be billed at the rate applicable to such point of delivery.

The right to combine Authorized Monthly Volumes as herein described is limited to individual customers or individual persons, corporations or entities and such right will not extend to similar combinations between or among unrelated customers. Nor shall such combinations be employed by any customer for the purpose of obtaining a lower overall cost of gas.

Provided, however, in the case of Industrial Customers provided with sales service under Rate IGS or Special Contracts, which have requested and received approval to combine Authorized Monthly Volumes, Monthly Base Period Volumes for such combined Industrial Customers must aggregate to not less than 10,000 Mcf for a twelve-month period and such combination shall be treated as a Large Industrial Customer for the purpose of implementing either Pro-Rata or Emergency Curtailement.

For the purpose of assessment of penalties, the point of delivery will be considered on a combined basis, so that the actual combined takes will be measured against combined Authorized Monthly Volumes. It will be the responsibility of any applicant for this treatment to advise Company in writing as to the party or entity to be held accountable for the payment of such penalty.

3. **PRO-RATA CURTAILMENT.** In order to meet seasonal and daily sendout requirements, to preserve underground storage deliverability, and to provide for adequate and timely underground storage injections, Company will implement pro-rata curtailement with respect to the classes of customers here listed:
- (a) All customers served under Rate AAGS.
  - (b) Large Industrial Customers provided with sales service under Rate IGS or Special Contracts.

Company will assign Monthly Base Period Volumes to each customer in the above two classes. Except in the case of an Emergency Curtailement, Company will provide as much notice as practicable to each of these customers that curtailement is being implemented. Such notice will include the percentage curtailement applicable to customer's Monthly Base Period Volume and the Authorized Monthly Volume such customer is authorized to take during said billing period.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

## TERMS AND CONDITIONS

### Curtailement Rules

Except in the case of Emergency Curtailement, such Pro-Rata Curtailement may only be implemented after Company issues an Operational Flow Order to customers served under Rate FT and takes similar actions applicable to transportation customers served under Special Contracts.

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During each month, Pro-Rata Curtailement will be first applied to Rate AAGS customers until such curtailement reaches 100% of Monthly Base Period Volumes (allowing, however, for continuation of Pilot Light Requirements used in connection with alternate fuels). When Rate AAGS customers are 100% curtailed, any additional curtailement required will be apportioned at a uniform percentage to other customers subject to pro-rata curtailement under this Section 3.

4. **EMERGENCY CURTAILMENT.** In the event of an emergency, Company will initiate the following actions, individually or in combination, in the order necessary as time permits so that service may continue to be supplied for residential and other human health, safety and welfare needs.

(1) Issue Operational Flow Orders to customers served under Rate FT, and take similar actions applicable to transportation customers served under Special Contracts. Customers that fail to comply with Operational Flow Orders will be required to discontinue the use of natural gas.

(2) Issue Action Alerts to Pool Managers under Rider PS-TS-2 serving customers under Rider TS-2, and take similar actions applicable to transportation customers served under Special Contracts. Customers of Pool Managers that fail to comply with Action Alerts may be required to terminate service under Rider PS-TS-2 and Rider TS-2 and return to firm sales service.

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(3) Discontinue service to customers served under Rate AAGS.

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(4) Implement curtailement of all or a portion of the gas usage by Large Industrial Customers served under either Rate IGS or Special Contracts for gas sales service.

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(5) Once curtailement in level 4 (above) has reached 100% of usage (excluding Pilot Light Requirements), implement curtailement of all or a portion of gas usage to the remaining Small Industrial and non-human needs commercial use customers.

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(6) Company may request that transportation customers served under Rate FT and Special Contracts allow Company's use of customer-owned gas to supply higher priority end-use customers. Company shall negotiate compensation for such gas with any customer that complies with such request.

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(7) Once curtailement of customers in level 5 (above) has reached 100% of usage (excluding Pilot Light Requirements), request reduction of gas usage by human needs commercial, residential, and other human needs customers.

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(8) Implement forced curtailement of gas usage through the isolation of gas distribution load centers from the gas distribution system network.

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**Date of Issue:**

**Date Effective: January 1, 2013**

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

TERMS AND CONDITIONS

Curtailment Rules

- 5. **PENALTY CHARGES.** Company may, in its sole discretion, apply a penalty for all gas taken during a period of either Pro-Rata or Emergency Curtailment.

Any customer subject to Pro-Rata curtailment in accordance with Section 3 above, who at the end of a month has taken gas in excess of its Authorized Monthly Volumes (excluding Pilot Light Requirements where applicable) for such month, may, in the sole discretion of Company, be subject to a penalty charge applicable to such excess takes of gas at the rate of \$15.00 per Mcf plus the highest daily mid-point price posted in "Platts Gas Daily" for Dominion-South Point during each month of the period of curtailment, such penalty to be in addition to the established rate for service.

Any customer subject to Emergency Curtailment in accordance with Section 4 above, who uses quantities of gas in excess of authorized quantities (excluding Pilot Light Requirements where applicable) during a period of such Emergency Curtailment, may, in the sole discretion of Company, be subject to a penalty charge applicable to such unauthorized takes of gas at the rate of \$15.00 per Mcf plus the highest daily mid-point price posted in "Platts Gas Daily" for Dominion-South Point during each month of the period of curtailment, such penalty to be in addition to the established rate for service.

The payment of penalty charges for takes of gas in excess of Authorized Monthly Volumes or authorized quantities shall not be considered as giving any customer the right to make unauthorized takes of gas, nor shall such penalty charges be considered as a substitute for any other remedy available to Company.

Company shall return to all customers through Company's Gas Supply Clause any penalty charges collected from customers under this Section 5 net of any penalty charges incurred from Company's supplier(s).

- 6. **DISCONTINUANCE OF SERVICE.** If any customer subject to curtailment under these rules fails to limit its use of gas as provided for herein, then Company shall have the right to immediately discontinue all gas supply to such customer.



# **Settlement Agreement Exhibit 7**

## **KU Depreciation Rates**

**Kentucky Utilities Company  
Annualized Depreciation  
as of March 31, 2012**

<b>Property Group</b>	<b>Depreciable Plant 03/31/12</b>	<b>Rates ASL</b>
<b>Intangible Plant</b>		
301 Organization	\$ 44,456	0.00%
302 Franchises and Consents	55,919	18.78%
303 Miscellaneous Intangible Plant - Software	19,760,083	15.28%
303.1 Customer Care Solution Software	40,343,675	9.94%
<b>Total Intangible Plant</b>	<b>\$ 60,204,133</b>	
<b>Steam Production Plant</b>		
310.00 Land	\$ 10,881,104	0.00%
311.00 Structures and Improvements		
5603 Tyrone Unit 3	5,607,062	0.00%
5604 Tyrone Units 1&2	583,381	0.00%
5613 Green River Unit 3	2,821,437	0.00%
5614 Green River Unit 4	5,476,054	5.78%
5615 Green River Units 1&2	2,560,764	0.00%
5621 Brown Unit 1	4,703,190	0.04%
5622 Brown Unit 2	2,208,657	0.59%
5623 Brown Unit 3	21,608,590	1.60%
5630 Brown Unit 1,2,3 Scrubber	43,955,566	4.28%
5643 Pineville Unit 3	16,204	0.00%
5651 Ghent Unit 1	18,818,852	0.28%
5650 Ghent Unit 1 Scrubber	8,436,673	1.03%
5652 Ghent Unit 2	16,011,013	0.78%
5658 Ghent Unit 2 Scrubber	15,817,338	1.06%
5653 Ghent Unit 3	42,177,126	1.30%
5654 Ghent Unit 4	31,022,092	2.21%
0321 Trimble County Unit 2	106,881,880	1.82%
0322 Trimble County Unit 2 Scrubber	5,522,307	1.28%
5591 System Laboratory	824,969	0.99%
	<b>\$ 335,053,155</b>	
312.00 Boiler Plant Equipment		
5603 Tyrone Unit 3	\$ 13,989,313	5.95%
5604 Tyrone Units 1&2	421,900	0.00%
5613 Green River Unit 3	12,145,770	5.54%
5614 Green River Unit 4	25,264,653	5.54%
5615 Green River Units 1&2	349,298	0.00%
5621 Brown Unit 1	45,946,145	2.80%
5622 Brown Unit 2	40,993,123	2.64%
5623 Brown Unit 3	144,532,013	2.35%

**Kentucky Utilities Company  
Annualized Depreciation  
as of March 31, 2012**

Property Group	Depreciable Plant 03/31/12	Rates ASL
5630 Brown Unit 1,2,3 Scrubber	332,297,548	4.27%
5643 Pineville Unit 3	236,470	0.00%
5650 Ghent Unit 1 Scrubber	138,565,707	3.70%
5651 Ghent Unit 1	200,261,497	2.60%
5652 Ghent Unit 2	124,543,857	1.46%
5658 Ghent Unit 2 Scrubber	67,966,248	2.11%
5653 Ghent Unit 3	251,295,254	2.00%
5660 Ghent 3 FGD	127,988,949	3.45%
5654 Ghent Unit 4	302,158,439	2.31%
5661 Ghent Unit 4 Scrubber	253,256,788	3.56%
0321 Trimble County Unit 2	506,708,710	2.10%
0322 Trimble County Unit 2 Scrubber	72,147,226	1.97%
	\$ 2,661,068,908	
314.00 Turbogenerator Units		
5603 Tyrone Unit 3	\$ 4,805,514	5.89%
5604 Tyrone Units 1&2	68,206	0.00%
5613 Green River Unit 3	4,562,207	3.23%
5614 Green River Unit 4	10,390,499	2.54%
5621 Brown Unit 1	7,512,849	2.38%
5622 Brown Unit 2	12,531,797	1.53%
5623 Brown Unit 3	29,370,580	1.53%
5651 Ghent Unit 1	36,687,332	2.31%
5652 Ghent Unit 2	30,417,603	1.87%
5653 Ghent Unit 3	42,547,917	1.75%
5654 Ghent Unit 4	57,036,984	2.12%
0321 Trimble County Unit 2	84,288,843	2.10%
	\$ 320,220,331	
315.00 Accessory Electric Equipment		
5603 Tyrone Unit 3	\$ 2,081,693	12.87%
5604 Tyrone Units 1&2	99,211	0.00%
5613 Green River Unit 3	1,205,362	14.12%
5614 Green River Unit 4	2,695,329	8.49%
5621 Brown Unit 1	3,847,279	1.18%
5622 Brown Unit 2	2,485,858	1.89%
5623 Brown Unit 3	8,761,314	1.19%
5630 Brown Unit 1,2,3 Scrubber	29,503,821	4.25%
5650 Ghent Unit 1 Scrubber	12,144,072	3.58%
5651 Ghent Unit 1	8,872,543	0.53%
5652 Ghent Unit 2	13,858,389	1.32%

Kentucky Utilities Company  
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Property Group	Depreciable Plant 03/31/12	Rates ASL
5658 Ghent Unit 2 Scrubber	941,942	4.38%
5653 Ghent Unit 3	30,932,405	1.29%
5660 Ghent 3 Scrubber	12,041,998	3.47%
5654 Ghent Unit 4	24,412,797	1.48%
5661 Ghent 4 Scrubber	15,148,042	3.59%
0321 Trimble County Unit 2	42,182,158	1.93%
0322 Trimble County Unit 2 Scrubber	1,415,469	1.47%
	\$ 212,629,682	
316.00 Miscellaneous Plant Equipment		
5603 Tyrone Unit 3	\$ 553,355	14.52%
5604 Tyrone Units 1&2	50,127	0.00%
5613 Green River Unit 3	152,146	8.85%
5614 Green River Unit 4	2,408,143	10.86%
5615 Green River Units 1&2	84,750	0.00%
5621 Brown Unit 1	432,578	1.42%
5622 Brown Unit 2	106,658	0.05%
5623 Brown Unit 3	5,159,550	2.08%
5650 Ghent Unit 1 Scrubber	1,033,027	1.13%
5651 Ghent Unit 1	1,747,527	0.69%
5652 Ghent Unit 2	1,500,525	0.58%
5653 Ghent Unit 3	3,150,438	1.06%
5654 Ghent Unit 4	7,838,124	2.69%
0321 Trimble County Unit 2	3,796,552	2.23%
5591 System Laboratory	2,793,691	2.70%
	\$ 30,807,191	
317.00 Asset Retirement Obligations - Steam *	56,489,771	
<b>Total Steam</b>	\$ 3,627,150,142	
<b>Hydraulic Production Plant</b>		
<b>5691 Dix Dam</b>		
330.10 Land Rights	\$ 879,311	0.00%
331.00 Structures and Improvements	616,527	1.62%
332.00 Reservoirs, Dams & Waterways	21,601,870	2.48%
333.00 Water Wheels, Turbines and Generators	4,549,436	3.66%
334.00 Accessory Electric Equipment	578,333	3.51%
335.00 Misc. Power Plant Equipment	297,024	4.38%

Kentucky Utilities Company  
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Property Group	Depreciable Plant 03/31/12	Rates ASL
336.00 Roads, Railroads and Bridges	176,360	3.85%
337.00 Asset Retirement Obligations - Hydro *	57,609	
<b>Total Hydraulic Plant</b>	<b>\$ 28,756,470</b>	
<b>Other Production Plant</b>		
340.10 Land Rights - 5645 Brown CT 9 Gas Pipeline	\$ 176,409	2.24%
340.20 Land	118,514	0.00%
341.00 Structures and Improvements		
5697 Paddy's Run CT 13	1,910,328	3.71%
5635 Brown CT 5	775,082	3.71%
5636 Brown CT 6	192,814	4.07%
5637 Brown CT 7	544,966	3.92%
5638 Brown CT 8	2,012,655	3.56%
5639 Brown CT 9	4,641,055	2.64%
5640 Brown CT 10	1,865,718	2.83%
5641 Brown CT 11	1,895,014	3.78%
0470 Trimble County CT 5	3,740,231	3.77%
0471 Trimble County CT 6	3,588,684	3.76%
0474 Trimble County CT 7	3,559,155	3.71%
0475 Trimble County CT 8	3,548,852	3.71%
0476 Trimble County CT 9	3,655,976	3.72%
0477 Trimble County CT 10	3,653,030	3.72%
5696 Haepling CT 1,2,&3	434,853	9.88%
	<b>\$ 36,018,413</b>	
342.00 Fuel Holders, Producers and Accessories		
5697 Paddy's Run CT 13	\$ 1,995,101	3.64%
5635 Brown CT 5	795,788	4.62%
5636 Brown CT 6	406,460	5.74%
5637 Brown CT 7	405,871	5.81%
5638 Brown CT 8	252,006	7.02%
5639 Brown CT 9	2,018,754	3.17%
5640 Brown CT 10	264,131	4.80%
5641 Brown CT 11	284,823	6.22%
5645 Brown CT 9 Gas Pipeline	8,106,131	2.70%
0470 Trimble County CT 5	239,584	3.67%
0471 Trimble County CT 6	239,246	3.67%
0473 Trimble County CT Pipeline	4,850,115	3.34%
0474 Trimble County CT 7	578,059	3.62%



Kentucky Utilities Company  
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as of March 31, 2012

Property Group	Depreciable Plant 03/31/12	Rates ASL
0475 Trimble County CT 8	576,386	3.62%
0476 Trimble County CT 9	593,786	3.64%
0477 Trimble County CT 10	622,873	3.65%
5696 Haefling CT 1,2,&3	518,705	10.26%
	\$ 22,747,819	
343.00 Prime Movers		
5697 Paddy's Run CT 13	\$ 18,174,144	4.35%
5635 Brown CT 5	14,666,936	4.16%
5636 Brown CT 6	34,600,149	5.05%
5637 Brown CT 7	31,657,719	4.95%
5638 Brown CT 8	26,710,990	5.20%
5639 Brown CT 9	23,335,363	3.25%
5640 Brown CT 10	20,074,766	3.30%
5641 Brown CT 11	34,794,971	4.42%
0470 Trimble County CT 5	32,965,168	3.93%
0471 Trimble County CT 6	32,853,640	4.32%
0474 Trimble County CT 7	23,953,735	3.89%
0475 Trimble County CT 8	23,765,360	3.89%
0476 Trimble County CT 9	23,632,815	3.94%
0477 Trimble County CT 10	23,581,342	3.94%
	\$ 364,767,098	
344.00 Generators		
5697 Paddy's Run CT 13	\$ 5,185,636	3.48%
5635 Brown CT 5	2,858,148	3.58%
5636 Brown CT 6	3,712,620	3.56%
5637 Brown CT 7	3,722,788	3.61%
5638 Brown CT 8	4,953,961	3.38%
5639 Brown CT 9	5,452,041	2.39%
5640 Brown CT 10	4,944,423	2.56%
5641 Brown CT 11	5,187,040	3.44%
0470 Trimble County CT 5	3,763,275	3.52%
0471 Trimble County CT 6	3,757,947	3.52%
0474 Trimble County CT 7	2,950,282	3.47%
0475 Trimble County CT 8	2,937,930	3.47%
0476 Trimble County CT 9	2,957,520	3.48%
0477 Trimble County CT 10	2,954,149	3.48%
5696 Haefling CT 1,2,&3	4,023,002	1.91%
	\$ 59,360,762	

Kentucky Utilities Company  
Annualized Depreciation  
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Property Group	Depreciable Plant 03/31/12	Rates ASL
345.00 Accessory Electric Equipment		
5697 Paddy's Run CT 13	\$ 2,456,320	3.62%
5635 Brown CT 5	2,479,493	3.90%
5636 Brown CT 6	1,975,216	3.99%
5637 Brown CT 7	1,935,782	4.00%
5638 Brown CT 8	2,908,499	4.03%
5639 Brown CT 9	4,205,847	3.02%
5640 Brown CT 10	2,744,493	3.00%
5641 Brown CT 11	1,987,867	4.33%
0470 Trimble County CT 5	1,737,628	3.69%
0471 Trimble County CT 6	4,324,591	4.02%
0474 Trimble County CT 7	3,148,439	3.60%
0475 Trimble County CT 8	3,139,332	3.60%
0476 Trimble County CT 9	3,234,031	3.62%
0477 Trimble County CT 10	7,196,618	3.83%
5696 Haefling CT 1,2,&3	1,333,946	7.66%
	<u>\$ 44,808,102</u>	
346.00 Miscellaneous Plant Equipment		
5697 Paddy's Run CT 13	\$ 1,089,550	3.87%
5635 Brown CT 5	2,139,353	3.88%
5636 Brown CT 6	53,749	4.28%
5637 Brown CT 7	35,647	4.06%
5638 Brown CT 8	291,226	4.45%
5639 Brown CT 9	760,255	2.80%
5640 Brown CT 10	274,391	3.21%
5641 Brown CT 11	590,563	4.82%
0470 Trimble County CT 5	28,964	3.94%
0474 Trimble County CT 7	8,889	3.87%
0475 Trimble County CT 8	8,861	3.87%
0476 Trimble County CT 9	9,114	3.88%
0477 Trimble County CT 10	41,869	4.50%
5696 Haefling CT 1,2,&3	35,805	1.13%
	<u>\$ 5,368,236</u>	
347.00 Asset Retirement Obligations Other Production *	17,791	
<b>Total Other Production</b>	<u>\$ 533,383,144</u>	

Kentucky Utilities Company  
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Property Group	Depreciable Plant 03/31/12	Rates ASL
<b>Transmission Plant</b>		
350.1 Land Rights	\$ 23,414,571	0.96%
350.2 Land	2,199,383	0.00%
352.1 Structures and Improvements-Non System Control	18,029,821	1.75%
352.2 Structures and Improvements-System Control	195,114	1.58%
353.1 Station Equipment	193,380,995	1.67%
353.2 System Control - Microwave Equipment	14,668,404	0.00%
354 Towers & Fixtures	94,800,535	1.36%
355 Poles & Fixtures	151,316,031	2.34%
356 Overhead Conductors and Devices	167,790,822	1.94%
357 Underground Conduit	448,760	2.27%
358 Underground Conductors & Devices	1,161,549	0.98%
359 Asset Retirement Obligations - Transmission *	539,999	
<b>Total Transmission Plant</b>	\$ 667,945,984	
<b>Distribution Plant</b>		
360.1 Land Rights	\$ 2,039,033	0.58%
360.2 Land	3,271,807	0.00%
360.2 Land (Plant Held for Future Use)	792,599	0.00%
361 Structures and Improvements	7,665,070	2.00%
362 Station Equipment	145,362,874	2.27%
364 Poles Towers & Fixtures	297,218,364	2.33%
365 Overhead Conductors and Devices	283,505,700	3.23%
366 Underground Conduit	1,831,865	2.70%
367 Underground Conductors & Devices	142,273,183	2.37%
368 Line Transformers	287,943,911	2.45%
369 Services	89,683,318	2.03%
370 Meters	70,922,417	2.29%
371 Installations on Customer Premises	18,240,916	0.81%
373 Street Lighting & Signal Systems	83,014,243	4.00%
374 Asset Retirement Obligations - Distribution *	786,955	
<b>Total Distribution Plant</b>	\$ 1,434,552,255	
<b>General Plant</b>		
389.2 Land	\$ 2,629,528	0.00%
390.1 Structures & Improvements	46,194,179	2.01%
390.2 Improvements to Leased Property	531,973	1.72%
391.1 Office Furniture & Equipment	7,806,962	4.46%

Kentucky Utilities Company  
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Property Group	Depreciable Plant 03/31/12	Rates ASL
391.2 Non PC Computer Equipment	18,399,981	21.58%
391.31 PC Equipment	6,648,038	8.93%
392.10 Transportation Equipment - Cars & Light Trucks	1,865,091	2.44%
392.30 Transportation Equipment - Heavy Trucks and Other	14,104,864	0.54%
393 Stores Equipment	551,794	5.07%
394 Tool, Shop & Garage Equipment	8,221,697	4.27%
396.30 Power Operated Equipment - Large Machinery	1,188,993	8.89%
397.10 Communication Equipment - General Assets	10,171,296	5.70%
397.20 Communication Equipment - Specific Assets	20,920,746	3.75%
397.30 Communication Equipment - Fully Accrued	786,233	0.00%
<b>Total General Plant</b>	\$ 140,021,375	
<b>TOTAL PLANT IN SERVICE</b>	<b>\$ 6,492,013,503</b>	

**Total Annual Depreciation (excludes ARO amounts)**

\* Represents list of ARO assets. Please note these amounts are not included in the calculation.

**Settlement Agreement Exhibit 8**  
**LG&E Depreciation Rates**

Louisville Gas and Electric Company  
Annualized Depreciation  
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Property Group		Depreciable Plant 03/31/12	Rates ASL
<b>ELECTRIC PLANT</b>			
<b>Intangible Plant</b>		\$ 2,240	0.00%
<b>Steam Production Plant</b>			
310.20	Land	\$ 6,193,327	0.00%
310.25	Land	100,000	0.00%
311.00	Structures and Improvements		
	0112 Cane Run Unit 1	\$ 4,233,240	0.00%
	0121 Cane Run Unit 2	2,102,422	0.00%
	0131 Cane Run Unit 3	3,536,934	0.00%
	0141 Cane Run Unit 4	4,089,674	0.00%
	0142 Cane Run Unit 4 Scrubber	821,433	0.00%
	0151 Cane Run Unit 5	6,288,070	0.48%
	0152 Cane Run Unit 5 Scrubber	1,696,435	0.00%
	0161 Cane Run Unit 6	28,208,880	6.99%
	0162 Cane Run Unit 6 Scrubber	2,004,302	0.00%
	0211 Mill Creek Unit 1	19,884,639	0.97%
	0212 Mill Creek Unit 1 Scrubber	1,709,711	0.00%
	0221 Mill Creek Unit 2	11,486,429	0.99%
	0222 Mill Creek Unit 2 Scrubber	1,393,404	0.00%
	0231 Mill Creek Unit 3	24,500,221	0.95%
	0232 Mill Creel Unit 3 Scrubber	362,867	0.00%
	0241 Mill Creek Unit 4	64,289,491	1.65%
	0242 Mill Creek Unit 4 Scrubber	5,330,552	0.50%
	0311 Trimble County Unit 1	115,104,804	1.59%
	0312 Trimble County Unit 1 Scrubber	493,910	1.01%
	0321 Trimble County Unit 2	26,139,486	2.10%
		<u>\$ 323,676,904</u>	
312.00	Boiler Plant Equipment		
	0103 Cane Run Locomotive	\$ 51,549	0.00%
	0104 Cane Run Rail Cars	1,501,773	6.89%
	0112 Cane Run Unit 1	1,052,271	0.00%
	0121 Cane Run Unit 2	132,276	0.00%
	0131 Cane Run Unit 3	705,480	0.00%
	0141 Cane Run Unit 4	31,384,490	7.66%
	0142 Cane Run Unit 4 Scrubber	17,050,368	0.00%
	0151 Cane Run Unit 5	40,758,450	13.54%
	0152 Cane Run Unit 5 Scrubber	28,112,261	0.00%
	0161 Cane Run Unit 6	55,736,437	13.69%
	0162 Cane Run Unit 6 Scrubber	32,458,665	3.70%
	0203 Mill Creek Locomotive	613,424	6.08%
	0204 Mill Creek Rail Cars	2,965,012	0.36%
	0211 Mill Creek Unit 1	56,237,501	2.53%
	0212 Mill Creek Unit 1 Scrubber	43,569,497	1.76%
	0221 Mill Creek Unit 2	53,553,848	2.84%
	0222 Mill Creek Unit 2 Scrubber	35,719,947	1.40%
	0231 Mill Creek Unit 3	146,490,839	2.64%
	0232 Mill Creek Unit 3 Scrubber	63,256,714	2.17%

Louisville Gas and Electric Company  
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<b>Property Group</b>		<b>Depreciable Plant 03/31/12</b>	<b>Rates ASL</b>
	0241 Mill Creek Unit 4	246,684,529	2.54%
	0242 Mill Creek Unit 4 Scrubber	113,972,386	1.56%
	0311 Trimble County Unit 1	217,329,447	2.54%
	0312 Trimble County Unit 1 Scrubber	63,633,187	1.25%
	0321 Trimble County Unit 2	121,967,166	2.46%
	0322 Trimble County Unit 2 Scrubber	14,607,918	2.47%
		<u>\$ 1,389,545,435</u>	
314.00	Turbogenerator Units		
	0112 Cane Run Unit 1	\$ 106,009	0.00%
	0121 Cane Run Unit 2	19,999	0.00%
	0131 Cane Run Unit 3	581,178	0.00%
	0141 Cane Run Unit 4	9,404,419	1.47%
	0151 Cane Run Unit 5	7,931,773	0.83%
	0161 Cane Run Unit 6	16,728,235	8.36%
	0211 Mill Creek Unit 1	14,686,468	1.03%
	0221 Mill Creek Unit 2	17,110,425	1.49%
	0231 Mill Creek Unit 3	31,564,298	1.91%
	0241 Mill Creek Unit 4	42,570,314	1.57%
	0311 Trimble County Unit 1	56,998,845	2.18%
	0321 Trimble County Unit 2	20,515,722	2.11%
		<u>\$ 218,217,685</u>	
315.00	Accessory Electric Equipment		
	0112 Cane Run Unit 1	\$ 1,883,657	0.00%
	0121 Cane Run Unit 2	1,238,068	0.00%
	0131 Cane Run Unit 3	766,540	0.00%
	0141 Cane Run Unit 4	5,920,914	3.29%
	0142 Cane Run Unit 4 Scrubber	987,949	0.00%
	0151 Cane Run Unit 5	9,434,825	11.22%
	0152 Cane Run Unit 5 Scrubber	2,216,499	0.00%
	0161 Cane Run Unit 6	12,638,294	10.78%
	0162 Cane Run Unit 6 Scrubber	2,199,915	0.00%
	0211 Mill Creek Unit 1	15,685,072	2.75%
	0212 Mill Creek Unit 1 Scrubber	5,541,695	0.00%
	0221 Mill Creek Unit 2	7,415,271	1.78%
	0222 Mill Creek Unit 2 Scrubber	4,505,053	0.00%
	0231 Mill Creek Unit 3	15,049,880	0.92%
	0232 Mill Creel Unit 3 Scrubber	2,531,773	0.00%
	0241 Mill Creek Unit 4	24,032,541	1.49%
	0242 Mill Creek Unit 4 Scrubber	5,864,979	0.38%
	0311 Trimble County Unit 1	49,158,461	2.00%
	0312 Trimble County Unit 1 Scrubber	2,736,920	0.88%
	0321 Trimble County Unit 2	8,459,461	2.29%
		<u>\$ 178,267,767</u>	
316.00	Miscellaneous Plant Equipment		
	0112 Cane Run Unit 1	\$ 38,746	0.00%
	0131 Cane Run Unit 3	11,664	0.00%
	0141 Cane Run Unit 4	87,249	16.79%
	0142 Cane Run Unit 4 Scrubber	6,464	0.00%

Louisville Gas and Electric Company  
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Property Group	Depreciable Plant 03/31/12	Rates ASL
0151 Cane Run Unit 5	96,972	15.39%
0152 Cane Run Unit 5 Scrubber	47,299	0.00%
0161 Cane Run Unit 6	2,987,196	13.71%
0162 Cane Run Unit 6 Scrubber	31,569	0.00%
0211 Mill Creek Unit 1	758,151	2.51%
0221 Mill Creek Unit 2	125,821	1.76%
0231 Mill Creek Unit 3	328,575	1.22%
0241 Mill Creek Unit 4	7,331,264	2.71%
0242 Mill Creek Unit 4 Scrubber	74,851	2.05%
0311 Trimble County Unit 1	2,917,560	2.47%
0321 Trimble County Unit 2	1,608,917	2.54%
	\$ 16,452,298	
317.00 Asset Retirement Obligations - Steam *	27,798,267	
<b>Total Steam</b>	<b>\$ 2,160,251,683</b>	
<b>Hydraulic Production Plant - Project 289</b>		
<b>0451 - Ohio Falls Project 289</b>		
330.20 Land	\$ 6	0.00%
331.00 Structures and Improvements	4,897,072	0.47%
332.00 Reservoirs, Dams & Waterways	11,690,252	2.62%
333.00 Water Wheels, Turbines and Generators	19,945,214	2.96%
334.00 Accessory Electric Equipment	5,509,836	2.01%
335.00 Misc. Power Plant Equipment	284,789	2.63%
336.00 Roads, Railroads and Bridges	28,797	2.26%
	\$ 42,355,966	
<b>Hydraulic Production Plant - Other Than Project 289</b>		
<b>0450 - Ohio Falls Other Than Project 289</b>		
330.20 Land	\$ 1	0.00%
331.00 Structures and Improvements	65,796	1.46%
335.00 Misc. Power Plant Equipment	25,458	2.81%
336.00 Roads, Railroads and Bridges	1,134	0.00%
337.00 Asset Retirement Obligations - Hydro *	103,529	
	\$ 195,918	
<b>Total Hydraulic Plant</b>	<b>\$ 42,551,884</b>	
<b>Other Production Plant</b>		
340.20 Land	\$ 8,133	0.00%
341.00 Structures and Improvements		
0171 Cane Run GT 11	\$ 211,518	13.86%
0410 Zorn and River Road Gas Turbine	8,241	0.00%
0431 Paddys Run Generator 12	64,113	3.23%
0432 Paddys Run Generator 13	2,158,698	3.57%
0459 Brown CT 5	858,539	3.57%
0460 Brown CT 6	105,978	4.09%
0461 Brown CT 7	144,356	4.08%



Louisville Gas and Electric Company  
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Property Group		Depreciable Plant 03/31/12	Rates ASL
	0470 Trimble County CT 5	1,555,655	3.58%
	0471 Trimble County CT 6	1,467,924	3.57%
	0474 Trimble County CT 7	2,083,698	3.52%
	0475 Trimble County CT 8	2,075,527	3.52%
	0476 Trimble County CT 9	2,137,402	3.53%
	0477 Trimble County CT 10	2,132,790	3.53%
		\$ 15,004,439	
342.00	Fuel Holders, Producers and Accessories		
	0171 Cane Run GT 11	\$ 319,042	14.18%
	0410 Zorn and River Road Gas Turbine	23,434	3.84%
	0430 Paddys Run Generator 11	9,238	0.00%
	0431 Paddys Run Generator 12	21,667	4.93%
	0432 Paddys Run Generator 13	2,255,338	3.70%
	0459 Brown CT 5	846,907	4.11%
	0460 Brown CT 6	403,060	5.40%
	0461 Brown CT 7	141,363	8.07%
	0470 Trimble County CT 5	97,997	3.68%
	0471 Trimble County CT 6	97,862	3.68%
	0473 Trimble County CT Pipeline	1,998,391	3.35%
	0474 Trimble County CT 7	338,423	3.63%
	0475 Trimble County CT 8	337,096	3.63%
	0476 Trimble County CT 9	347,147	3.65%
	0477 Trimble County CT 10	361,860	3.66%
		\$ 7,598,825	
343.00	Prime Movers		
	0432 Paddys Run Generator 13	\$ 20,575,461	4.56%
	0459 Brown CT 5	15,877,891	4.33%
	0460 Brown CT 6	19,951,722	5.99%
	0461 Brown CT 7	18,239,647	5.05%
	0470 Trimble County CT 5	13,538,630	4.37%
	0471 Trimble County CT 6	13,456,801	4.49%
	0474 Trimble County CT 7	14,040,786	4.03%
	0475 Trimble County CT 8	13,925,742	4.03%
	0476 Trimble County CT 9	13,836,332	4.08%
	0477 Trimble County CT 10	13,781,724	4.08%
		\$ 157,224,736	
344.00	Generators		
	0171 Cane Run GT 11	\$ 2,910,124	4.76%
	0410 Zorn and River Road Gas Turbine	1,827,581	0.00%
	0430 Paddys Run Generator 11	1,523,116	0.00%
	0431 Paddys Run Generator 12	2,991,589	0.00%
	0432 Paddys Run Generator 13	5,859,858	3.26%
	0459 Brown CT 5	3,249,360	3.61%
	0460 Brown CT 6	2,417,995	3.79%
	0461 Brown CT 7	2,421,079	3.84%
	0470 Trimble County CT 5	1,539,295	3.50%
	0471 Trimble County CT 6	1,537,168	3.50%
	0474 Trimble County CT 7	1,726,824	3.46%

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<b>Property Group</b>		<b>Depreciable Plant 03/31/12</b>	<b>Rates ASL</b>
	0475 Trimble County CT 8	1,717,277	3.46%
	0476 Trimble County CT 9	1,728,008	3.47%
	0477 Trimble County CT 10	1,722,674	3.47%
		<u>\$ 33,171,948</u>	
345.00	Accessory Electric Equipment		
	0171 Cane Run GT 11	\$ 116,627	0.00%
	0410 Zorn and River Road Gas Turbine	44,283	0.00%
	0430 Paddys Run Generator 11	68,109	0.00%
	0431 Paddys Run Generator 12	912,642	13.71%
	0432 Paddys Run Generator 13	2,778,993	3.60%
	0459 Brown CT 5	2,742,563	3.60%
	0460 Brown CT 6	970,189	3.91%
	0461 Brown CT 7	953,200	3.94%
	0470 Trimble County CT 5	706,963	3.70%
	0471 Trimble County CT 6	1,594,892	3.81%
	0474 Trimble County CT 7	1,843,364	3.56%
	0475 Trimble County CT 8	1,836,141	3.56%
	0476 Trimble County CT 9	1,890,840	3.57%
	0477 Trimble County CT 10	4,387,836	3.73%
		<u>\$ 20,846,642</u>	
346.00	Miscellaneous Plant Equipment		
	0410 Zorn and River Road Gas Turbine	\$ 9,488	13.22%
	0430 Paddys Run Generator 11	9,494	15.24%
	0432 Paddys Run Generator 13	1,281,034	3.72%
	0459 Brown CT 5	2,395,225	3.58%
	0460 Brown CT 6	22,456	3.84%
	0461 Brown CT 7	23,048	3.90%
	0470 Trimble County CT 5	14,529	3.72%
	0474 Trimble County CT 7	5,205	3.50%
	0475 Trimble County CT 8	5,183	3.51%
	0476 Trimble County CT 9	5,328	3.51%
	0477 Trimble County CT 10	25,333	4.17%
		<u>\$ 3,796,323</u>	
347.00	Asset Retirement Obligations Other Production *	38,429	
	<b>Total Other Production</b>	<u>\$ 237,689,475</u>	
	<b>Electric Transmission Plant</b>		
	350.2 Transmission Lines Land	\$ 1,573,049	0.00%
	350.1 Land Rights	7,791,511	1.50%
	352.1 Structures & Improvements	6,471,400	1.74%
	353.1 Station Equipment	127,692,585	1.38%
	354 Towers & Fixtures	43,126,250	1.72%
	355 Poles & Fixtures	53,760,275	2.89%
	356 Overhead Conductors & Devices	47,544,070	2.50%
	357 Underground Conduit	2,278,628	1.67%
	358 Underground Conductors & Devices	7,425,284	2.98%

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Property Group	Depreciable Plant 03/31/12	Rates ASL
359 Asset Retirement Obligations - Transmission *	252,454	
<b>Total Transmission Plant</b>	<u>\$ 297,915,506</u>	
<b>Electric Distribution Plant</b>		
360.2 Substation Land	\$ 5,348,665	0.00%
360.2 Substation Land Class A (Plant Held Future Use)	627,088	0.00%
361 Substation Structures	4,888,254	1.61%
362.1 Substation Equipment	114,763,926	2.09%
364 Poles Towers & Fixtures	140,371,136	3.39%
365 Overhead Conductors & Devices	241,550,956	2.98%
366 Underground Conduit	69,033,771	1.50%
367 Underground Conductors & Devices	149,365,140	1.92%
368 Line Transformers	140,986,634	2.38%
369.1 Underground Services	6,064,961	3.32%
369.2 Overhead Services	22,341,688	3.59%
370 Meters	38,125,261	2.92%
373.1 Overhead Street Lighting	35,629,640	3.97%
373.2 Underground Street Lighting	48,916,028	3.44%
374 Asset Retirement Obligations - Distribution *	626,515	
<b>Total Distribution Plant</b>	<u>\$ 1,018,639,663</u>	
<b>Electric General Plant</b>		
392.1 Transportation Equipment - Cars & Light Trucks	\$ 1,570,998	5.48%
392.2 Transportation Equipment Trailers	682,934	6.21%
392.3 Transportation Equipment - Heavy Trucks and Other	6,692,703	0.60%
394 Tools, Shop, and Garage Equipment	4,652,755	4.51%
396.1 Power Operated Equipment - Small Machinery	1,292,580	0.00%
396.2 Power Operated Equipment - Other	151,087	7.60%
396.3 Power Operated Equipment - Large Machinery	1,110,685	2.12%
<b>Total General Plant</b>	<u>\$ 16,153,742</u>	
<b>TOTAL ELECTRIC PLANT</b>	<u><b>\$ 3,773,204,193</b></u>	
<b>GAS PLANT</b>		
<b>Intangible Plant</b>	<u>\$ 387</u>	10.58%
<b>Underground Storage</b>		
350.1 Land	\$ 32,864	0.00%
350.2 Rights of Way	95,614	0.56%
351.2 Compressor Station Structures	5,426,010	2.01%
351.3 Reg Station Structures	33,152	1.14%
351.4 Other Structures	2,652,176	1.82%
352.40 Well Drilling	2,724,714	0.72%
352.50 Well Equipment ARO	5,793,188	2.70%
352.55 Well Equipment	7,475,494	2.70%
352.1 Storage Leaseholds & Rights	548,241	0.00%
352.2 Reservoirs	400,511	0.00%
352.3 Nonrecoverable Natural Gas	9,648,855	0.83%

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Property Group	Depreciable Plant 03/31/12	Rates ASL
Gas Stored Underground Non-Current	2,139,990	0.00%
353 Lines	15,285,580	1.82%
354 Compressor Station Equipment	17,056,348	2.37%
355 Measuring & Regulating Equipment	524,850	1.53%
356 Purification Equipment	13,340,431	1.97%
357 Other Equipment	1,719,439	2.25%
358 Asset Retirement Obligations - Und Storage *	5,201,173	
<b>Total Underground Storage</b>	<u>\$ 90,098,630</u>	
<b>Gas Transmission Plant</b>		
365.2 Rights of Way	\$ 220,659	0.16%
367 Mains	18,939,475	0.79%
368.07 Asset Retirement Obligation - Cost Gas Trans	3,941,519	
<b>Total Transmission Plant</b>	<u>\$ 23,101,653</u>	
<b>Gas Distribution Plant</b>		
374 Land	\$ 59,725	0.00%
374.2 Land Rights	74,018	0.00%
375.1 City Gate Structures	367,966	1.46%
375.2 Other Distribution Structures	532,497	5.26%
376 Mains	336,076,717	1.89%
378 Measuring and Reg Equipment	12,466,709	2.58%
379 Meas & Reg Equipment - City Gate	4,460,808	2.12%
380 Services	195,651,821	3.79%
381 Meters	39,990,525	4.03%
383 House Regulators	23,914,706	4.10%
385 Industrial Meas & Reg Station Equip	944,360	2.85%
387 Other Equipment	51,112	2.78%
388 Asset Retirement Obligations - Distribution *	11,931,609	
<b>Total Distribution Plant</b>	<u>\$ 626,522,573</u>	
<b>Gas General Plant</b>		
392.1 Transportation Equipment - Cars & Light Trucks	\$ 250,262	2.63%
392.2 Trailers	599,856	4.80%
392.3 Transportation Equipment - Heavy Trucks and Other	1,131,842	1.75%
394 Other Equipment	4,533,726	4.66%
396.1 Power Operated Equipment - Small Machinery	105,665	0.00%
396.2 Power Operated Equipment - Other	177,782	5.90%
396.3 Power Operated Equipment - Large Machinery	2,181,087	1.16%
<b>Total General Plant</b>	<u>\$ 8,980,220</u>	
<b>TOTAL GAS PLANT</b>	<u><b>\$ 748,703,463</b></u>	
<b>COMMON UTILITY PLANT</b>		
<b>Intangible Plant</b>		
301 Organization	\$ 83,782	0.00%
303 Misc. Intangible Plant - Software	21,873,636	13.97%

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Property Group	Depreciable Plant 03/31/12	Rates ASL
303.1 CCS Software	44,513,680	9.92%
<b>Total Intangible Plant</b>	<u>\$ 66,471,098</u>	
<b>Common General Plant</b>		
389.1 Land	\$ 1,685,316	0.00%
389.2 Land Rights	202,095	0.00%
390.10 Structures and Improvements	61,433,240	3.40%
390.20 Structures and Improvements - Transportation	412,151	5.98%
390.30 Structures and Improvements - Stores	10,750,498	1.96%
390.40 Structures and Improvements - Shops	536,692	2.05%
390.60 Structures and Improvements - Microwave	1,078,816	2.30%
391.10 Office Furniture	8,673,967	19.94%
391.20 Office Equipment	2,086,580	8.16%
391.30 Computer Equipment - Non PC	14,508,118	3.43%
391.31 Personal Computers	4,136,708	21.88%
391.40 Security Equipment	2,241,823	18.18%
392.1 Transportation Equipment - Cars & Light Trucks	179,513	11.38%
392.2 Transportation Equipment - Trailers	83,874	6.34%
392.3 Transportation Equipment - Heavy Trucks and Other	65,584	0.00%
393 Stores Equipment	1,135,864	5.82%
394 Other Equipment	3,624,119	5.04%
396.2 Power Operated Equipment - Other	14,147	6.57%
396.3 Power Operated Equipment - Large Machinery	235,831	1.13%
397.10 Communications Equipment - General Assets	29,003,600	13.14%
397.20 Communications Equipment - Specific Assets	5,292,033	4.89%
397.30 Communications Equipment - Fully Accrued Assets	11,378,217	0.00%
397.40 Communications Equipment - Transfer to Meter Equipment	2,243,315	2.84%
397.50 Communications Equipment - Transfer to Structure Account	77,123	2.70%
398.00 Miscellaneous Equipment	17,206	0.00%
399.10 ARO Asset Retirement Obligations - Common *	101,390	
<b>Total General Plant</b>	<u>\$ 161,197,820</u>	
<b>TOTAL COMMON UTILITY PLANT</b>	<u><b>\$ 227,668,918</b></u>	
 <b>TOTAL PLANT IN SERVICE</b>	 <u><b>\$ 4,749,576,574</b></u>	

\* Represents list of ARO assets. Please note these amounts are not included in the calculation.