

## CUSTOMER NOTICE OF RATE ADJUSTMENT

PLEASE TAKE NOTICE that, in a September 28, 2018, Application, Louisville Gas and Electric Company ("LG&E") is seeking approval by the Kentucky Public Service Commission of an adjustment of its electric and gas rates and charges to become effective on and after November 1, 2018.

### LG&E CURRENT AND PROPOSED RESIDENTIAL ELECTRIC AND GAS RATES

#### Residential Service - Rate RS

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Month:	\$12.25	
Basic Service Charge per Day:		\$ 0.53
Plus an Energy Charge per kWh:	\$ 0.09382	
Infrastructure:		\$ 0.06214
Variable:		\$ 0.03206
Total:		\$ 0.09420

#### Residential Time-of-Day Energy Service - Rate RTOD-Energy

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Month:	\$12.25	
Basic Service Charge per Day:		\$ 0.53
Plus an Energy Charge per kWh:		
Off-Peak Hours	\$ 0.06882	
Off-Peak Hours (Infrastructure):		\$ 0.03676
Off-Peak Hours (Variable):		\$ 0.03206
Off-Peak Hours (Total):		\$ 0.06882
On-Peak Hours	\$ 0.23483	
On-Peak Hours (Infrastructure):		\$ 0.20852
On-Peak Hours (Variable):		\$ 0.03206
On-Peak Hours (Total):		\$ 0.24058

#### Residential Time-of-Day Demand Service - Rate RTOD-Demand

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Month:	\$12.25	
Basic Service Charge per Day:		\$ 0.53
Plus an Energy Charge per kWh:	\$ 0.05183	
Plus an Energy Charge per kWh (Infrastructure):		\$ 0.01977
Plus an Energy Charge per kWh (Variable):		\$ 0.03206
Plus an Energy Charge per kWh (Total):		\$ 0.05183
Plus a Demand Charge per kW:		
Base Hours	\$ 3.51	\$ 3.48
Peak Hours	\$ 7.68	\$ 7.62

#### Residential Gas Service - Rate RGS

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Month:	\$16.35 per delivery point	
Basic Service Charge per Day:		\$0.65 per delivery point
Plus a Charge Per 100 Cubic Feet:		
Distribution Charge	\$ 0.36300	\$0.39076
Gas Supply Cost Component	<u>0.41446</u>	<u>\$0.41446</u>
Total Gas Charge Per 100 Cubic Feet	\$ 0.77746	\$0.80522

LG&E is also proposing changes to the rates for other customer classes. These customer classes and the changes in their associated annual revenue changes are listed in the tables shown below. LG&E is also proposing changes in the text of some of its rate schedules and other tariff provisions, including substantive changes in its terms and conditions for electric or gas service and miscellaneous charges, as well as adding a Standard Facility Contribution Rider for gas service. LG&E's proposed rates reflect a proposed annual increase in electric revenues of approximately 3.09% and gas revenues of approximately 7.57% to LG&E.

The estimated amount of the annual change and the average monthly bill to which the proposed electric rates will apply for each electric customer class are as follows:

<b>Electric Rate Class</b>	<b>Average Usage (kWh)</b>	<b>Annual \$ Increase</b>	<b>Annual % Increase</b>	<b>Monthly Bill \$ Increase</b>	<b>Monthly Bill % Increase</b>
Residential	917	18,795,252	4.09	4.23	4.09
Residential Time-of-Day Energy	1,077	3,838	4.06	4.35	4.06
General Service	2,322	4,410,485	2.66	8.00	2.66
Power Service	52,002	4,723,825	2.65	133.13	2.65
Time-of-Day Secondary	227,989	2,031,137	2.08	389.55	2.08
Time-of-Day Primary	1,326,570	3,100,289	2.10	2,015.79	2.10
Retail Transmission	6,770,655	1,426,166	2.11	9,142.08	2.11
Fluctuating Load	No Customers are currently served under this Rate Schedule				
Outdoor Lights	94	636,550	2.66	0.60	2.70
Lighting Energy	1,942	0.00	0.00	0.00	0.00
Traffic Energy	284	(6.00)	0.00	0.00	0.00
PSA	N/A	0.00	0.00	0.00	0.00
Rider – CSR	N/A	0.00	0.00	0.00	0.00
Outdoor Sports Lighting – Pilot Program	2,000	272	2.66	23.00	2.66

The estimated amount of the annual change and the average monthly bill to which the proposed gas rates will apply for each gas customer class is as follows:

<b>Gas Rate Class</b>	<b>Average Usage (Mcf)</b>	<b>Annual \$ Increase</b>	<b>Annual % Increase</b>	<b>Mthly Bill \$ Increase</b>	<b>Mthly Bill % Increase</b>
Residential	5.4	17,691,740	8.12	4.93	8.12
Commercial	33.1	7,347,663	8.12	24.42	8.12
Industrial	596.7	(74.00)	0.00	(0.02)	0.00
As-Available	3,598.4	0.00	0.00	0.00	0.00
Firm Transportation	14,385.0	(85.00)	0.00	(0.09)	0.00
Distributed Generation	0.4	0.00	0.00	0.00	0.00
Substitute Gas Sales	124.8	3,528	8.12	293.98	8.12
Local Gas Delivery	No Customers are currently served under this Rate Schedule				

The monthly residential electric bill increase due to the proposed electric base rates will be 4.1 percent, or approximately \$4.23, for a customer using 917 kWh of electricity (the average monthly consumption of a LG&E residential customer). LG&E is proposing to withdraw Adjustment Clause TCJA from service and cancelling the associated billing credits effective when new base rates change. When the TCJA Surcredit is cancelled when new base rates take effect, the total monthly residential electric bill increase will be 7.5%, or approximately \$7.53, for a customer using 917 kWh of electricity.

The monthly residential gas bill increase due to the proposed gas base rates will be 8.1 percent, or approximately \$4.93, for a customer using 54 ccf of gas (the average monthly consumption of a LG&E residential customer). LG&E is proposing to withdraw Adjustment Clause TCJA from service and cancelling the associated billing credits effective when new base rates change. When the TCJA Surcredit is cancelled when new base rates take effect, the total monthly residential gas bill increase will be 12.2%, or approximately \$7.14, for a customer using 54 ccf of gas.

LG&E is proposing numerous revisions to the rates, terms and conditions for service under for Pole and Structure Attachment Charges – Rate PSA, including expanding the availability of the schedule to internal communication network facilities of governmental units and educational institutions. If approved, the rates terms and conditions for attaching communication network facilities of such governmental units and educational institutions will be subject to Rate Schedule PSA.

**Other Charges**

LG&E is proposing the following revisions to other charges in its Electric tariff:

<b>Other Charges</b>	<b>Current Charge</b>	<b>Proposed Charge</b>
Returned Payment Charge	\$10.00	\$3.00
Meter Pulse Charge	\$15.00	\$25.00
Redundant Capacity - Secondary	\$1.59	\$1.84
Redundant Capacity - Primary	\$1.44	\$1.41
EVSE – Single Charger	\$180.50	\$135.83
EVSE – Dual Charger	\$302.13	\$198.85
EVSE-R – Single Charger	\$132.00	\$125.14
EVSE-R – Dual Charger	\$205.15	\$177.49
EVC – Charge per Hour for First Two Hours	\$2.86	\$0.75
EVC – Charge per Hour for Every Hour After First Two Hours	\$2.86	\$1.00
Solar Share Program Rider	\$6.27	\$5.68
Excess Facilities – w/ no CIAC	1.32%	1.26%
Excess Facilities – w/ CIAC	0.54%	0.53%
TS – Temporary-to-Permanent	100%	15%
TS – Seasonal	100%	100%

LG&E is proposing the following revisions to other charges in its Gas tariff:

<b>Other Charges</b>	<b>Current Charge</b>	<b>Proposed Charge</b>
Returned Payment Charge	\$10.00	\$3.00
Daily Storage Charge for Daily Imbalances (TS-1 and LGDS)	\$0.2785	\$0.3797
Excess Facilities – w/ no CIAC	1.24%	1.19%
Excess Facilities – w/ CIAC	0.47%	0.46%

A detailed notice of all proposed revisions and a complete copy of the proposed tariffs containing the proposed text changes, terms and conditions for electric or gas service and rates may be obtained by submitting a written request by e-mail to [myaccount@lge-ku.com](mailto:myaccount@lge-ku.com) or by mail to Louisville Gas and Electric Company, ATTN: Rates Department, 220 West Main Street, Louisville, Kentucky, 40202, or by visiting LG&E’s website at [www.lge-ku.com](http://www.lge-ku.com). A copy of the full customer notice required by 807 KAR 5:001 Section 17 is posted and may be viewed in each public library located within LG&E’s service territory or at the offices of LG&E located at 820 West Broadway, Louisville, Kentucky.

A person may examine LG&E’s application at the offices of LG&E located at 820 West Broadway, Louisville, Kentucky, and at LG&E’s website at [www.lge-ku.com](http://www.lge-ku.com). A person may also examine this application at the Public Service Commission’s offices located at 211 Sower Boulevard, Frankfort,

Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or may view and download the through the Commission's Web site at <http://psc.ky.gov>.

Comments regarding the application may be submitted to the Public Service Commission by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, or by sending an email to the Commission's Public Information Officer at [psc.info@ky.gov](mailto:psc.info@ky.gov). All comments should reference Case No. 2018-00295.

The rates contained in this notice are the rates proposed by LG&E, but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.

Louisville Gas and Electric Company  
220 West Main Street  
P. O. Box 32010  
Louisville, Kentucky 40232  
502-589-1444 or 1-800-331-7370

Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, Kentucky 40602  
502-564-3940