

Louisville Gas and Electric Company

Summary of Adjusted Rates of Return by Class

Rate Class	Revenue	Operating Expenses	Operating Margin	Rate Base	Rate of Return On Rate Base	Rate of Return On Rate Base After Increase
Residential Service Rate RGS	\$ 160,527,944	\$ 118,366,718	\$ 42,161,226	\$ 636,498,491	6.62%	9.24%
Commercial Service Rate CGS	60,485,684	47,130,160	13,355,524	312,131,056	4.28%	5.46%
Industrial Service Rate IGS	4,719,778	3,568,932	1,150,846	25,025,270	4.60%	4.59%
As Available Gas Service Rate AAGS	224,994	479,905	(254,910)	4,454,612	-5.72%	-3.89%
Firm Transportation Service Rate FT	6,592,613	9,341,513	(2,748,901)	74,240,547	-3.70%	-1.05%
	232,551,013.41	178,887,228.33	53,663,785.08	1,052,349,976.79	5.10%	7.23%

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Summary of Rates of Return by Class w/Proposed Increase

	Revenue	Operating Expenses	Operating Margin	Rate Base	ROR
Residential Service Rate RGS	\$ 182,847,170	\$ 124,004,441	\$ 58,842,729	\$ 636,498,491	9.24%
Commercial Service Rate CGS	65,407,210	48,373,571	17,033,639	312,131,056	5.46%
Industrial Service Rate IGS	4,717,916	3,568,466	1,149,450	25,025,270	4.59%
As Available Gas Service Rate AAGS	334,482	507,553	(173,071)	4,454,612	-3.89%
Firm Transportation Service Rate FT	9,223,520	10,005,916	(782,396)	74,240,547	-1.05%
	262,530,298.41	186,459,947.13	76,070,351.29	1,052,349,976.79	7.23%

* The increase shown for Rate FT reflects a proxy price for the customer's natural gas of \$2.66 per Mcf.