

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	\$ 160,530,153	\$ 119,601,433	\$ 40,928,720	\$ 650,634,291	6.29%	8.85%
Commercial Service Rate CGS	60,485,893	47,249,558	13,236,336	313,472,018	4.22%	5.40%
Industrial Service Rate IGS	4,719,195	3,244,898	1,474,297	21,294,974	6.92%	6.92%
As Available Gas Service Rate AAGS	224,912	433,897	(208,985)	3,924,710	-5.32%	-3.24%
Firm Transportation Service Rate FT	6,590,860	8,357,443	(1,766,583)	63,023,984	-2.80%	0.32%
	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	\$ 182,849,379	\$ 125,239,156	\$ 57,610,223	\$ 650,634,291	8.85%
Commercial Service Rate CGS	65,407,420	48,492,969	16,914,451	313,472,018	5.40%
Industrial Service Rate IGS	4,717,333	3,244,432	1,472,901	21,294,974	6.92%
As Available Gas Service Rate AAGS	334,400	461,545	(127,145)	3,924,710	-3.24%
Firm Transportation Service Rate FT	9,221,767	9,021,845	199,922	63,023,984	0.32%
	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.