

LOUISVILLE GAS & ELECTRIC
Gas Residential Customer Cost Analysis

| | Residential |
|---------------------------------------------|----------------------|
| Gross Plant | |
| 369 Services | \$328,718,731 |
| 370 Meters | \$42,872,353 |
| 383 House Regulators | \$17,047,367 |
| Total Gross Plant | \$388,638,450 |
| Depreciation Reserve 1/ | |
| Services | \$106,304,722 |
| Meters | \$10,759,005 |
| House Regulators | \$5,555,712 |
| Total Depreciation Reserve | \$122,619,438 |
| Total Net Plant | \$266,019,011 |
| Operation & Maintenance Expenses | |
| Meters & House Regulators | \$1,391,724 |
| Customer Installation | \$144,798 |
| Maintenance-Services | \$680,093 |
| Meter Reading | \$2,555,358 |
| Records & Collections | \$5,303,796 |
| Total O & M Expenses | \$10,075,769 |
| Depreciation Expense 2/ | |
| Services | \$10,518,999 |
| Meters | \$2,237,937 |
| House Regulators | \$644,390 |
| Total Depreciation Expense | \$13,401,327 |
| Revenue Requirement | |
| Interest | \$4,944,039 |
| Equity return | \$14,136,250 |
| State Income Taxes @ 6.00% | \$1,142,169 |
| Federal Income Tax @21.00% | \$3,757,737 |
| Revenue For Return | \$23,980,196 |
| O & M Expenses | \$10,075,769 |
| Depreciation Expense | \$13,401,327 |
| Subtotal Customer Revenue Requirement | \$47,457,291 |
| Total Revenue Requirement | \$47,457,291 |
| Number of Customers | 301,613 |
| Number of Bills | 3,619,356 |
| TOTAL MONTHLY CUSTOMER COST | \$13.11 |

1/ Accumulated Depreciation percent of Gross Plant per Exhibit JJS-LGE-1.

2/ Depreciation accrual rate times Gross Plant per Exhibit JJS-LGE-1.