

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF LOUISVILLE GAS AND) CASE NO. 2009-00248
ELECTRIC COMPANY)

ORDER

On June 30, 2004, in Case No. 2003-00433,¹ the Commission approved rates for Louisville Gas and Electric Company ("LG&E") and provided for their further adjustment in accordance with LG&E's Gas Supply Clause ("GSC").

On June 30, 2009, LG&E filed its proposed GSC to be effective August 1, 2009.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. LG&E's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. LG&E's Expected Gas Cost ("EGC") is \$.56182 per 100 cubic feet, or \$5.6182 per Mcf, which is a decrease of \$.4331 per Mcf from the previous EGC of \$6.0513 per Mcf.
3. LG&E's notice sets out no current Refund Adjustment ("RA") and no total RA, which is no change from the previous total RA.
4. LG&E's notice sets out a current Actual Adjustment ("AA") of (\$.2420) per Mcf. The total AA of (\$.9895) per Mcf is a decrease of \$.7473 per Mcf from the previous total AA of (\$.2422) per Mcf.

¹ Case No. 2003-00433, An Adjustment of the Gas and Electric Rates, Terms, and Conditions of Louisville Gas and Electric Company (Ky. PSC June 30, 2004).

5. LG&E's notice sets out a (\$.0256) per Mcf current Balance Adjustment ("BA"), which is a decrease of \$.1195 per Mcf from the previous BA of \$.0939 per Mcf.

6. LG&E's notice sets out its previously approved Performance-Based Rate Recovery Component ("PBRRC") of \$.0883 per Mcf, which will remain in effect to collect LG&E's portion of PBR savings until January 31, 2010.

7. LG&E's Gas Supply Cost Component ("GSCC") is \$.46914 per 100 cubic feet, or \$4.6914 per Mcf, which is a decrease of \$1.2999 per Mcf from the prior GSCC of \$5.9913 per Mcf .

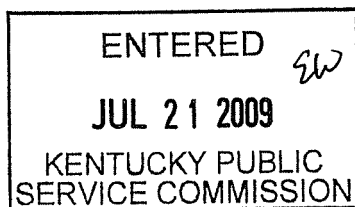
8. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for gas supplied by LG&E on and after August 1, 2009.

IT IS THEREFORE ORDERED that:

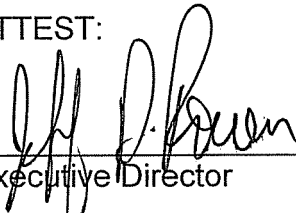
1. The rate in the Appendix attached hereto and incorporated herein is approved for gas supplied on and after August 1, 2009.

2. Within 20 days of the date of this Order, LG&E shall file with the Commission its revised tariffs setting out the rate authorized herein.

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00248 DATED **JUL 21 2009**

The following rates and charges are prescribed for the customers served by Louisville Gas and Electric Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Gas Supply Cost Component

The total Gas Supply Cost Component shall be \$.46914 per 100 cubic feet for gas supplied on and after May 1, 2009.

Robert M Conroy
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