

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF LOUISVILLE GAS AND)
ELECTRIC COMPANY) CASE NO. 2009-00395

ORDER

On February 5, 2009, in Case No. 2008-00252,¹ 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 September 30, 2009, LG&E filed its proposed GSC to be effective November 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 \$.62628 per 100 cubic feet, or \$6.2628 per Mcf, which is an increase of \$.6446 per Mcf from the previous EGC of \$5.6182 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.

¹ Case No. 2008-00252, Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Base Rates (Ky. PSC Feb. 5, 2009).

4. LG&E's notice sets out a current Actual Adjustment ("AA") of (\$.1521) per Mcf. The total AA of (\$1.4440) per Mcf is a decrease of \$.4545 per Mcf from the previous total AA of (\$.9895) per Mcf.

5. LG&E's notice sets out a \$.0058 per Mcf current Balance Adjustment ("BA"), which is an increase of \$.0314 per Mcf from the previous BA of (\$.0256) 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 \$.49129 per 100 cubic feet or \$4.9129 per Mcf, which is an increase of \$.2215 per Mcf from the prior GSCC of \$4.6914 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 November 1, 2009.

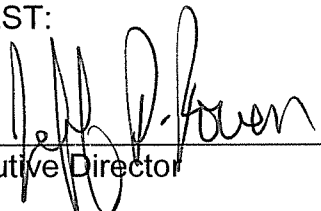
IT IS THEREFORE ORDERED that:

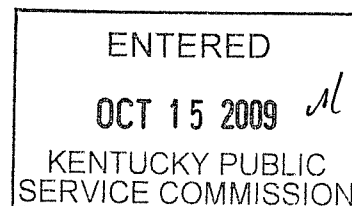
1. The rate in the Appendix attached hereto and incorporated herein is approved for gas supplied on and after November 1, 2009.

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. 2009-00395 DATED OCT 15 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 \$.49129 per 100 cubic feet for gas supplied on and after November 1, 2009.

Robert M Conroy
Director, Rates
Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40202