these costs on the same basis. (See Seelye Exhibit 23, pages 7 through 9 for the functional assignment of cash working capital on the basis of OMLPP shown on pages 43 through 45.) The functional vector used to allocate a specific cost is identified by the column in the model labeled "Vector" and refers to a vector identified elsewhere in the analysis by the column labeled "Name".

Once costs for all of the major accounts are functionally assigned and classified, the resultant cost matrix for the major cost groupings (e.g., Plant in Service, Rate Base, Operation and Maintenance Expenses) is then transposed and allocated to the customer classes using "allocation vectors" or "allocation factors". This process is illustrated in Figure 2 below.

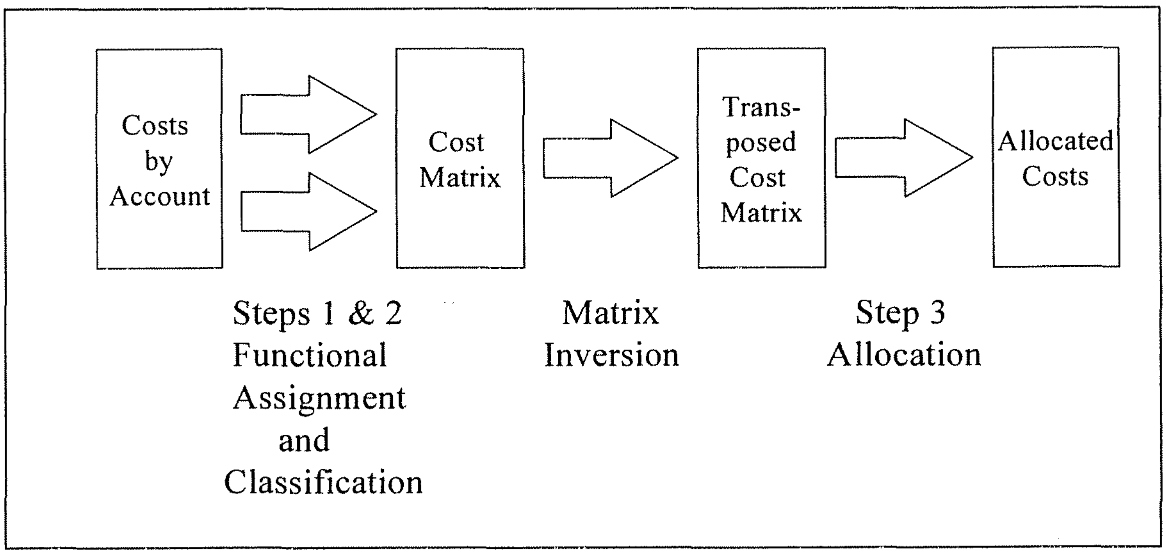

Figure 2

The results of the class allocation step of the cost of service study are included in Seelye Exhibit 24. The costs shown in the column labeled "Total System" in Seelye Exhibit 24 were carried forward *from* the functionally assigned and classified costs shown in Seelye Exhibit 23. The column labeled "Ref" in Seelye Exhibit 24 provides a reference to the results included in Seelye Exhibit 23.

Q. What methodologies are commonly used to classify distribution plant?

A. Two commonly used methodologies for determining demand/customer splits of distribution plant are the "minimum system" methodology and the "zero-intercept" methodology. In the minimum system approach, "minimum" standard poles, conductor, and line transformers are selected and the minimum system is obtained by pricing all of the applicable distribution facilities at the unit cost of the minimum size plant. The minimum system determined in this manner is then classified as customer-related and allocated on the basis of the number of customers in each rate class. All costs in excess of the minimum system are classified as demand-related. The theory supporting this approach maintains that in order for a utility to serve even the smallest customer, it would have to install a minimum size system. Therefore, the costs associated with the minimum system are related to the number of customers that are served, instead of the demand imposed by the customers on the system.

In preparing this study, the "zero-intercept" methodology was used to determine the customer components of overhead conductor, underground conductor, and line transformers. Because the zero-intercept methodology is less subjective than the minimum system approach, the zero-intercept methodology is strongly preferred over the minimum system methodology when the necessary data is available. With the zero-intercept methodology, we are not forced to choose a minimum size conductor or line transformer to determine the customer component. In the zero-intercept methodology, a zero-size conductor or line transformer is the absolute minimum system.

Q. What is the theory behind the zero-intercept methodology?

A. The theory behind the zero-intercept methodology is that there is a linear relationship between the unit cost ($/ft or $/transformer) of conductor or line transformers and the load flow capability of the plant, which is proportionate to the cross-sectional area of the conductor or the kVA rating of the transformer. After establishing a linear relation, which is given by the equation:

$$y = a + bx$$

where:

y is the unit cost of the conductor or transformer,

x is the size of the conductor (MCM) or transformer (kVA), and

a, **b** are the coefficients representing the intercept and slope, respectively

it can be determined that, theoretically, the unit cost of a foot of conductor or transformer with zero size (or conductor or transformer with zero load carrying capability) is **a**, the zero-intercept. The zero-intercept is essentially the cost component of conductor or transformers that is invariant to the size (and load carrying capability) of the plant.

Like most electric utilities, the feet of conductor and number of transformers on LG&E's system is not uniformly distributed over all sizes of wire and transformer. For this reason, it was necessary to use a weighted regression analysis, instead of a standard least-squares analysis, in the determination of the zero intercept. Without performing a weighted regression analysis all types of conductor and transformers would have the same impact on the analyses, even though the quantity of conductor and transformers are not the same for each size and type.

Using a weighted regression analysis, the cost and size of each type of conductor or transformer is, in effect, weighted by the number of feet of installed conductor or the number of transformers. In a weighted regression analysis, the following weighted sum of squared differences

$$\sum_i w_i (y_i - \hat{y}_i)^2$$

is minimized, where **w** is the weighting factor for each size of conductor or transformer, and **y** is the observed value and **ŷ** is the predicted value of the dependent variable.

Q. Has the Commission accepted the use of the zero-intercept methodology?

A. Yes. The Commission found LG&E's cost of service studies (both electric and gas) submitted in Case No. 2000-080 and Case No. 90-158 to be reasonable, thus providing a means of measuring class rates of return and suitable for use as a guide in developing appropriate revenue allocations and rate design. The Commission also found the embedded cost of service study submitted by The Union Light Heat and Power in Case No. 2001-00092, which utilized a zero-intercept methodology, to be reasonable.

Q. Have you prepared exhibits showing the results of the zero-intercept analysis?

A. Yes. The zero-intercept analysis for overhead conductor, underground conductor, and line transformers are included in Seelye Exhibits 25, 26, and 27.

Q. Please summarize the results of the electric cost of service study.

A. The following table (Table 1) summarizes the rates of return for each customer class before and after reflecting the rate adjustments proposed by LG&E. The Actual Adjusted Rate of Return was calculated by dividing the adjusted net operating income by the adjusted net cost rate base for each customer class. The adjusted net operating income and rate base reflect the pro-forma adjustments discussed in Mr. Rives' testimony. The Proposed Rate of Return was calculated by dividing the net operating income adjusted for the proposed rate increase by the adjusted net cost rate base.

TABLE 1 Electric Class Rates of Return		
Customer Class	**Actual Adjusted Rate of Return**	**Proposed Rate of Return**
Residential Rate - RS	3.19%	5.86%
General Service - GS	9.12%	12.62%
Power Service - PS		
- Primary	4.86%	8.47%
- Secondary	6.62%	10.13%
Commercial Time of Day		
-Commercial TOD Secondary - CTODS	4.42%	8.00%
-Commercial TOD Primary - CTODP	4.47%	8.72%
Industrial Time of Day		
- Industrial TOD Secondary - ITODS	5.27%	9.28%
- Industrial TOD Primary - ITODP	3.31%	6.97%
Retail Transmission Service - RTS	2.91%	6.53%
Lighting	8.80%	11.17%
Special Contracts	-0.19%	2.51%
Total System	4.77%	7.89%

Determination of the actual adjusted and proposed rates of return are detailed in Seelye Exhibit 24, pages 49-51 and pages 55-57, respectively.

VIII. NATURAL GAS COST OF SERVICE STUDY

Q. Did you prepare a cost of service study for LG&E's gas operations based on financial and operating results for the 12 months ended October 31, 2009?

A. Yes. I supervised and participated in the preparation of a fully allocated, time-differentiated, embedded cost of service study for gas operations for the 12 months ended October 31, 2009, based on LG&E's accounting costs per books, adjusted for known and measurable changes to test year operating results. The cost of service study corresponds to the pro-forma financial exhibits included in the testimony of Mr.

Rives. As with the electric cost of service study, the objective in performing the gas cost of service study is to determine the rate of return on rate base that LG&E is earning from each customer class, which provides an indication as to whether LG&E's gas service rates reflect the cost of providing service to each customer class.

Q. Generally, were the procedures used in performing the gas cost of service study the same as those that you described above for the electric cost of service study?

A. Yes, with the exception that the study was not time differentiated. The cost of service study was prepared using the following procedure: (1) costs were functionally assigned (*functionalized*) to the major functional groups, (2) costs were then *classified* as commodity-related, demand-related, or customer-related; and then (3) costs were allocated to LG&E's rate classes. These steps are depicted in the following diagram (Figure 3). This is a standard approach utilized in the preparation of embedded cost of service studies for gas utilities.

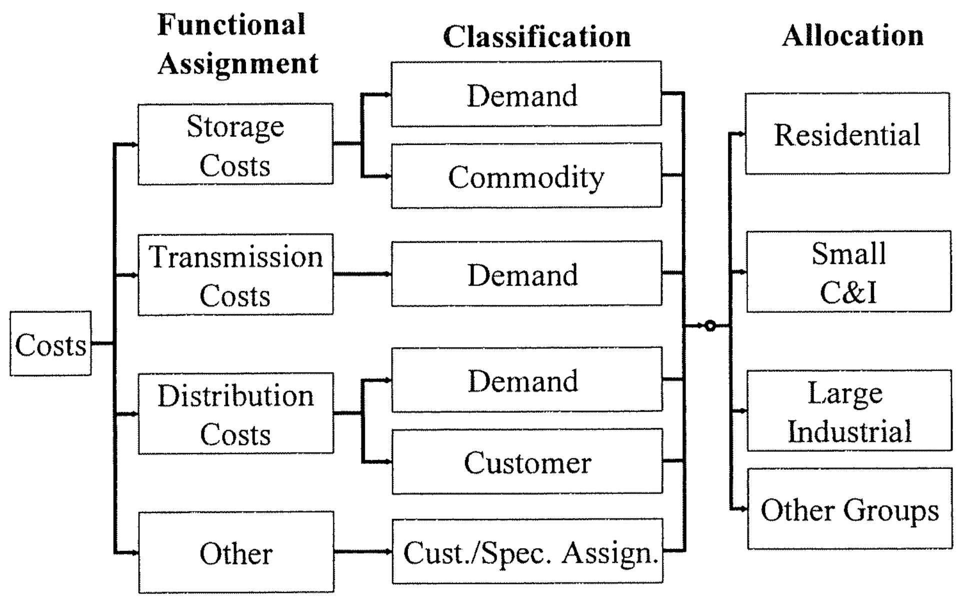

Figure 3

Q. What functional groups were used in the natural gas cost of service study?

A. The following standard functional groups were identified in the cost of service study: (1) Procurement, (2) Storage, (3) Transmission, (4) Distribution Commodity, (5) Distribution Structures and Equipment, (6) Distribution Mains – Low- and Medium-Pressure, (7) Distribution Mains – High-Pressure, (8) Services, (9) Meters, (10) Customer Accounts, and (11) Customer Service Expense.

Q. How were costs classified as commodity related, demand related or customer related?

A. Classification provides a method of arranging costs so that the service characteristics that give rise to the costs can serve as a basis for allocation. Costs classified as *commodity related* tend to vary with the quantity of gas delivered, such as gas supply and the operation of compressors. Since gas supply costs were removed from the cost of service study, it was not necessary to classify gas supply costs. Costs classified as *demand related* are costs related to facilities installed to meet design-day usage requirements. Costs classified as *customer related* include costs incurred to serve customers regardless of the quantity of gas purchased or the peak requirements of the customers. All transmission plant costs were classified as demand related and are allocated on the same basis as storage. Unlike other local gas distribution companies ("LDCs"), LG&E's transmission system is used primarily to get gas in and out of its gas storage fields. Distribution Structures and Equipment costs were classified as demand-related. As will be discussed later in my testimony, costs related to Distribution Mains were functionally assigned as either low and medium pressure mains or high-pressure mains and then classified as demand-related and customer-related using the zero-intercept methodology. Services, Meters, Customer Accounts, and Customer Service Expenses were classified as customer-related.

Q. Have you prepared an exhibit showing the results of the functional assignment and classification steps of the cost of service study?

A. Yes. Seelye Exhibit 28 shows the results of the first two steps of the natural gas cost of service study, functional assignment and classification.

Q. Please describe the allocation factors used in the gas cost of service study.

A. The following allocation factors were used in the gas cost of service study:

- **DEM01** is used to allocate procurement demand-related costs; these costs are the procurement-related expenses that are not recovered through LG&E's Gas Supply

Clause.

- **DEM02** is used to allocate Storage demand-related costs and represents a composite allocation based on extreme winter season requirements and design day demands. The class allocation factor is the sum of (a) the volumes (commodity) withdrawn from storage during the design winter season, and (b) the volumes needed in storage to meet the design-day demands. The calculation of this allocation factor is shown on Seelye Exhibit 30.

- **DEM03** is used to allocate Transmission demand-related costs and is allocated on the same basis as storage demand. Because LG&E's transmission lines are used primarily to either fill the storage fields or remove gas from storage, transmission demand-related costs are allocated on the same basis as storage demand-related costs.

- **DEM04** is used to allocate Distribution Structures and Equipment demand-related costs and represents maximum class demands determined at LG&E's -12° F design day mean temperature. These demands, which are shown in Seelye Exhibit 30, were calculated using base loads and temperature sensitive loads developed for the temperature normalization adjustment. The temperature normalization adjustment is discussed earlier in my testimony.

- **DEM05** is used to allocate the demand-related portion of the cost of high-pressure distribution mains and represents maximum class demands determined at the design day mean temperature of customers served at high-pressure or below. The high-pressure system consists of pipe pressured above 50 psi. All of the gas delivered into the low- and medium-pressure system must first pass through the high- pressure system. Consequently, all customers utilize the high-pressure system.

- **DEM05a** is used to allocate the demand-related portion of the cost of low and medium-pressure distribution mains and represents maximum class demands determined at the design day mean temperature of customers served at medium pressure or low-pressure. The low- and medium- pressure system consists of pipe pressured at 50 psi and below. The demands of customers served at high pressure are not included in the determination of this allocation factor. The low- and medium-pressure system is not used to provide distribution delivery service to customers served at high pressure.

- **COM01** is used to allocate commodity-related procurement expenses and represents annual throughput volumes (including both sales and transportation). Procurement expenses correspond to expenses incurred by LG&E's gas supply department (including labor), which are not recovered through the Gas Supply Clause. This department not only purchases gas for sales customers but also administers LG&E's transportation service schedules.

- **COM02** is used to allocate Storage commodity-related costs and represents actual customer class deliveries during the winter withdrawal season (defined as the months of November through March.)

- **COM03** is used to allocate Transmission commodity-related costs and represents actual customer class deliveries during the winter withdrawal season (defined as the months of November through March).

- **COM04** is used to allocate Distribution commodity-related costs and represents annual throughput volumes (including both sales and transportation).

- **CUST01** is used to allocate the customer-related portion of LG&E's high-pressure distribution mains and represents the year-end number of customers served at high pressure and below.

- **CUST01a** is used to allocate the customer-related portion of LG&E's low and medium pressure distribution mains and represents the year-end number of customers at low and medium pressure. The customers served at high pressure are not included in the determination of this allocation factor. The low- and medium-pressure system is not used to provide distribution delivery service to customers served at high pressure.

- **CUST02** is used to allocate Services and is based on the total estimated cost of installing a service line per customer in each customer class weighted by the year-end number of customers in each class.

- **CUST03** is used to allocate Meters and is based on the total cost of meters and meter installation costs per customer in each customer class weighted by the year-end number of customers in each class.

- **CUST04** is used to allocate customer accounts expenses (Accounts 901 through 905) and represents a composite allocation factor.[4]

- **CUST05** is used to allocate customer service expenses using the same customer-weighting factor used to allocate Accounts 901, 902, 903, and 905 as in the calculation of CUST04.

Q. Did you classify the costs of mains between demand and customer costs?

A. Yes. Mains were classified using the zero-intercept methodology, which was described above in connection with the electric cost of service study. The zero-intercept analysis is included in Seelye Exhibit 31.

Q. How were distribution mains functionally separated between high pressure and low and medium pressure categories?

A. The feet of high-pressure mains by size of pipe were identified from LG&E's maps and records. The feet of low- and medium-pressure pipe were determined residually by subtracting the specifically identified high-pressure mains from the total feet for each pipe size. The zero-intercept unit cost of $4.37 was then applied to the high-pressure mains and to the low and medium pressure mains to determine the customer-related portion of the mains.[5] By identifying high-pressure mains from LG&E's

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[4] This allocation factor is determined as follows: First, customer accounts supervision (Account 901), meter reading (Account 902), customer records and collections (Account 903), and miscellaneous customer account expenses (Account 905) were allocated to each customer class using a customer weighting factor based on discussions with LG&E's meter reading, billing and customer service departments. A cost weighting factor of 1.0 was utilized for Residential Gas Service, a cost weighting factor of 1.1 was utilized for Commercial Gas Service, a cost weighting factor of 10 was utilized for Industrial Gas Service, Rate AAGS, and a customer weighting factor of 20 was utilized for Firm Transportation Service Rate FT and special contracts. Using a cost weighting factor of 20 for Rate FT and special contracts, for example, means that the cost of performing the meter reading, billing and customer service functions for customers served under Rate FT is 20 times more than the cost of performing these same services for customers served under Rate RGS.

[5] The cost of service study used the zero intercept results from the detailed analysis that was performed based on plant records as of April 30, 2008.

maps and records, it was determined that LG&E's high-pressure distribution mains represent 12.52% of the total installed cost, with 0.87% corresponding to customer related costs and 11.65% corresponding to demand related costs. The low- and medium-pressure pipe comprises the remaining 87.48% of installed cost, with 12.96% classified as customer related and 74.52% classified as demand related. The breakdown is shown on page 3 of Seelye Exhibit 31.

Q. Was a similar separation made in the electric cost of service study?

A. Yes. The electric cost of service study separates distribution conductor between primary voltage conductor and secondary voltage conductor. The functional separation in the gas cost of service study between high-pressure and low- and medium-pressure pipe is analogous to the primary and secondary splits determined in the electric cost of service study. Differences in the pressure in a pipe are often used as an analogy to differences in voltages.

Q. Please summarize the results of the gas cost of service study.

A. The following table (Table 2) summarizes the rates of return on net cost rate base for natural gas service for each customer class before and after reflecting the rate adjustments proposed by LG&E. The rates of return shown in Table 2 can be found on pages 12-13 of Seelye Exhibit 29. The Actual Adjusted Rate of Return was calculated by dividing the adjusted net operating income by the adjusted net cost rate base for each customer class. The adjusted net operating income and rate base reflect the pro-forma adjustments discussed in Mr. Rives' testimony. The Proposed Rate of Return was calculated by dividing the net operating income adjusted for the proposed rate increase by the adjusted net cost rate base.

TABLE 2
Gas Class Rates of Return

Customer Class	Actual Adjusted Rate of Return	Proposed Rate of Return
Residential - RGS	3.90%	6.82%
Commercial - CGS	7.01%	10.01%
Industrial - IGS	4.36%	7.12%
As-Available Service - AAGS	16.85%	17.01%
Firm Transportation Service - FT	25.71%	25.90%
Special Contracts	25.05%	25.25%
Total System	5.06%	7.95%

Q. Does this conclude your testimony?

A. Yes, it does.

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) **SS:**
COUNTY OF JEFFERSON)

The undersigned, **William Steven Seelye**, being duly sworn, deposes and states that he is a Principal and Senior Analyst with The Prime Group, LLC, that he has personal knowledge of the matters set forth in the foregoing testimony and exhibits, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

W. Steven Seelye
William Steven Seelye

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 26th day of January 2010.

Tammy J. Elzy (SEAL)
Notary Public

My Commission Expires:

November 9, 2010

Seelye Exhibit 1

Qualifications

QUALIFICATIONS OF WILLIAM STEVEN SEELYE

Summary of Qualifications

Provides consulting services to numerous investor-owned utilities, rural electric cooperatives, and municipal utilities regarding utility rate and regulatory filings, cost of service and wholesale and retail rate designs; and develops revenue requirements for utilities in general rate cases, including the preparation of analyses supporting pro-forma adjustments and the development of rate base.

Employment

Senior Consultant and Principal
The Prime Group, LLC
(July 1996 to Present)

Provides consulting services in the areas of tariff development, regulatory analysis revenue requirements, cost of service, rate design, fuel and power procurement, depreciation studies, lead-lag studies, and mathematical modeling.

Assists utilities with developing strategic marketing plans and implementation of those plans. Provides utility clients assistance regarding regulatory policy and strategy; project management support for utilities involved in complex regulatory proceedings; process audits; state and federal regulatory filing development; cost of service development and support; the development of innovative rates to achieve strategic objectives; unbundling of rates and the development of menus of rate alternatives for use with customers; performance-based rate development.

Prepared retail and wholesale rate schedules and filings submitted to the Federal Energy Regulatory Commission (FERC) and state regulatory commissions for numerous of electric and gas utilities. Performed cost of service or rate studies for over 130 utilities throughout North America. Prepared market power analyses in support of market-based rate filings submitted to the FERC for utilities and their marketing affiliates. Performed business practice audits for electric utilities, gas utilities, and independent transmission organizations (ISOs), including audits of production cost modeling, retail utility tariffs, retail utility

	billing practices, and ISO billing processes and procedures.
Manager of Rates and Other Positions Louisville Gas & Electric Co. (May 1979 to July 1996)	Held various positions in the Rate Department of LG&E. In December 1990, promoted to Manager of Rates and Regulatory Analysis. In May 1994, given additional responsibilities in the marketing area and promoted to Manager of Market Management and Rates.

Education

Bachelor of Science Degree in Mathematics, University of Louisville, 1979
54 Hours of Graduate Level Course Work in Industrial Engineering and Physics.

Associations

Member of the Society for Industrial and Applied Mathematics

Expert Witness Testimony

Alabama: Testified in Docket 28101 on behalf of Mobile Gas Service Corporation concerning rate design and pro-forma revenue adjustments.

Colorado: Testified in Consolidated Docket Nos. 01F-530E and 01A-531E on behalf of Intermountain Rural Electric Association in a territory dispute case.

FERC: Submitted direct and rebuttal testimony in Docket No. EL02-25-000 et al. concerning Public Service of Colorado's fuel cost adjustment.

Submitted direct and responsive testimony in Docket No. ER05-522-001 concerning a rate filing by Bluegrass Generation Company, LLC to charge reactive power service to LG&E Energy, LLC.

Submitted testimony in Docket Nos. ER07-1383-000 and ER08-05-000 concerning Duke Energy Shared Services, Inc.'s charges for reactive power service.

Submitted testimony in Docket No. ER08-1468-000 concerning changes to Vectren Energy's transmission formula rate.

Submitted testimony in Docket No. ER08-1588-000 concerning a generation formula rate for Kentucky Utilities Company.

Submitted testimony in Docket No. ER09-180-000 concerning changes to Vectren Energy's transmission formula rate.

Florida: Testified in Docket No. 981827 on behalf of Lee County Electric Cooperative, Inc. concerning Seminole Electric Cooperative Inc.'s wholesale rates and cost of service.

Illinois: Submitted direct, rebuttal, and surrebuttal testimony in Docket No. 01-0637 on behalf of Central Illinois Light Company ("CILCO") concerning the modification of interim supply service and the implementation of black start service in connection with providing unbundled electric service.

Indiana: Submitted direct testimony and testimony in support of a settlement agreement in Cause No. 42713 on behalf of Richmond Power & Light regarding revenue requirements, class cost of service studies, fuel adjustment clause and rate design.

Submitted direct and rebuttal testimony in Cause No. 43111 on behalf of Vectren Energy in support of a transmission cost recovery adjustment.

Submitted direct testimony in Cause No. 43773 on behalf of Crawfordsville Electric Light & Power regarding revenue requirements, class cost of service studies, fuel adjustment clause and rate design.

Kansas: Submitted direct and rebuttal testimony in Docket No. 05-WSEE-981-RTS on behalf of Westar Energy, Inc. and Kansas Gas and Electric Company regarding transmission delivery revenue requirements, energy cost adjustment clauses, fuel normalization, and class cost of service studies.

Kentucky: Testified in Administrative Case No. 244 regarding rates for cogenerators and small power producers, Case No. 8924 regarding marginal cost of service, and in numerous 6-month and 2-year fuel adjustment clause proceedings.

Submitted direct and rebuttal testimony in Case No. 96-161 and Case No. 96-362 regarding Prestonsburg Utilities' rates.

Submitted direct and rebuttal testimony in Case No. 99-046 on behalf of Delta Natural Gas Company, Inc. concerning its rate stabilization plan.

Submitted direct and rebuttal testimony in Case No. 99-176 on behalf of Delta Natural Gas Company, Inc. concerning cost of service, rate design and expense adjustments in connection with Delta's rate case.

Submitted direct and rebuttal testimony in Case No. 2000-080, testified on behalf of Louisville Gas and Electric Company concerning cost of service, rate design, and pro-forma adjustments to revenues and expenses.

Submitted rebuttal testimony in Case No. 2000-548 on behalf of Louisville Gas and Electric Company regarding the company's prepaid metering program.

Testified on behalf of Louisville Gas and Electric Company in Case No. 2002-00430 and on behalf of Kentucky Utilities Company in Case No. 2002-00429 regarding the calculation of merger savings.

Submitted direct and rebuttal testimony in Case No. 2003-00433 on behalf of Louisville Gas and Electric Company and in Case No. 2003-00434 on behalf of Kentucky Utilities Company regarding pro-forma revenue, expense and plant adjustments, class cost of service studies, and rate design.

Submitted direct and rebuttal testimony in Case No. 2004-00067 on behalf of Delta Natural Gas Company regarding pro-forma adjustments, depreciation rates, class cost of service studies, and rate design.

Testified on behalf of Kentucky Utilities Company in Case No. 2006-00129 and on behalf of Louisville Gas and electric Company in Case No. 2006-00130 concerning methodologies for recovering environmental costs through base electric rates.

Testified on behalf of Delta Natural Gas Company in Case No. 2007-00089 concerning cost of service, temperature normalization, year-end normalization, depreciation expenses, allocation of the rate increase, and rate design.

Submitted testimony on behalf of Big Rivers Electric Corporation and E.ON U.S. LLC in Case No 2007-00455 and Case No. 2007-00460 regarding the design and implementation of a Fuel Adjustment Clause, Environmental Surcharge, Unwind Surcredit, Rebate Adjustment, and Member Rate Stability Mechanism for Big Rivers Electric Corporation in connection with the unwind of a lease and purchase power transaction with E.ON U.S. LLC.

Submitted testimony in Case No. 2008-00251 on behalf of Kentucky Utilities Company and in Case No. 2008-00252 on behalf of Louisville Gas and Electric Company regarding pro-forma revenue and expense adjustments, electric temperature normalization, jurisdictional separation, class cost of service studies, and rate design.

Submitted testimony in Case No. 2008-00409 on behalf of East Kentucky Power Cooperative, Inc., concerning revenue requirements, pro-forma adjustments, cost of service, and rate design.

Submitted testimony in Case No. 2009-00040 on behalf of Big Rivers Electric Corporation regarding revenue requirements and rate design.

Submitted testimony on behalf of Columbia Gas Company of Kentucky in Case No. 2009-00141 regarding the demand side management program costs and cost recovery mechanism.

Nevada: Submitted direct and rebuttal testimony in Case No. 03-10001 on behalf of Nevada Power Company regarding cash working capital and rate base adjustments.

Submitted direct and rebuttal testimony in Case No. 03-12002 on behalf of Sierra Pacific Power Company regarding cash working capital.

Submitted direct and rebuttal testimony in Case No. 05-10003 on behalf of Nevada Power Company regarding cash working capital for an electric general rate case.

Submitted direct and rebuttal testimony in Case No. 05-10005 on behalf of Sierra Pacific Power Company regarding cash working capital for a gas general rate case.

Submitted direct and rebuttal testimony in Case Nos. 06-11022 and 06-11023 on behalf of Nevada Power Company regarding cash working capital for a gas general rate case.

Submitted direct and rebuttal testimony in Case No. 07-12001 on behalf of Sierra Pacific Power Company regarding cash working capital for an electric general rate case.

Submitted direct testimony in Case No. Docket No. 08-12002 on behalf of Nevada Power Company regarding cash working capital for an electric general rate case.

Nova Scotia: Testified on behalf of Nova Scotia Power Company in NSUARB – NSPI – P-887 regarding the development and implementation of a fuel adjustment mechanism.

Submitted testimony in NSUARB – NSPI – P-884 regarding Nova Scotia Power Company's application to approve a demand-side management plan and cost recovery mechanism.

Submitted testimony in NSUARB – NSPI – P-888 regarding a general rate application filed by Nova Scotia Power Company.

Submitted testimony on behalf of Nova Scotia Power Company in the matter of the approval of backup, top-up and spill service for use in the Wholesale Open Access Market in Nova Scotia.

Submitted testimony in NSUARB – NSPI – P-884 (2) on behalf of Nova Scotia Power Company's regarding a demand-side management cost recovery mechanism.

Virginia: Submitted testimony in Case No. PUE-2008-00076 on behalf of Northern Neck Electric Cooperative regarding revenue requirements, class cost of service, jurisdictional separation and an excess facilities charge rider.

Submitted testimony in Case No. PUE-2009-00029 on behalf of Old Dominion Power Company regarding class cost of service, jurisdictional separation, allocation of the revenue increase, general rate design, time of use rates, and excess facilities charge rider.

Submitted testimony in Case No. PUE-2009-00065 on behalf of Craig-Botetourt Electric Cooperative regarding revenue requirements, class cost of service, jurisdictional separation and an excess facilities charge rider.

Seelye Exhibit 2

Residential Electric Unit Cost

Louisville Gas and Electric Company

Unit Cost of Service Based on the Cost of Service Study
For the 12 Months Ended October 31, 2009

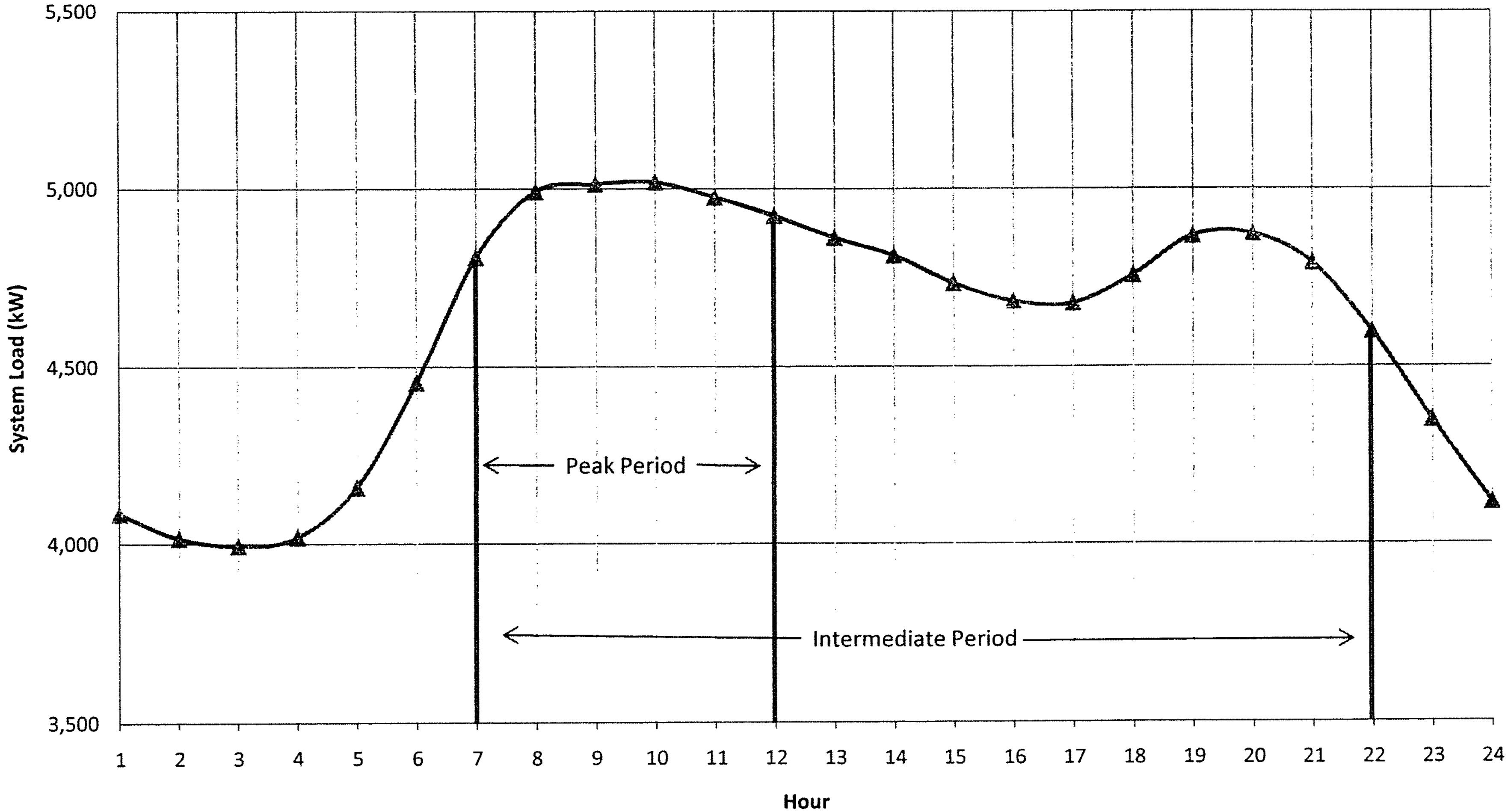
Rate RS

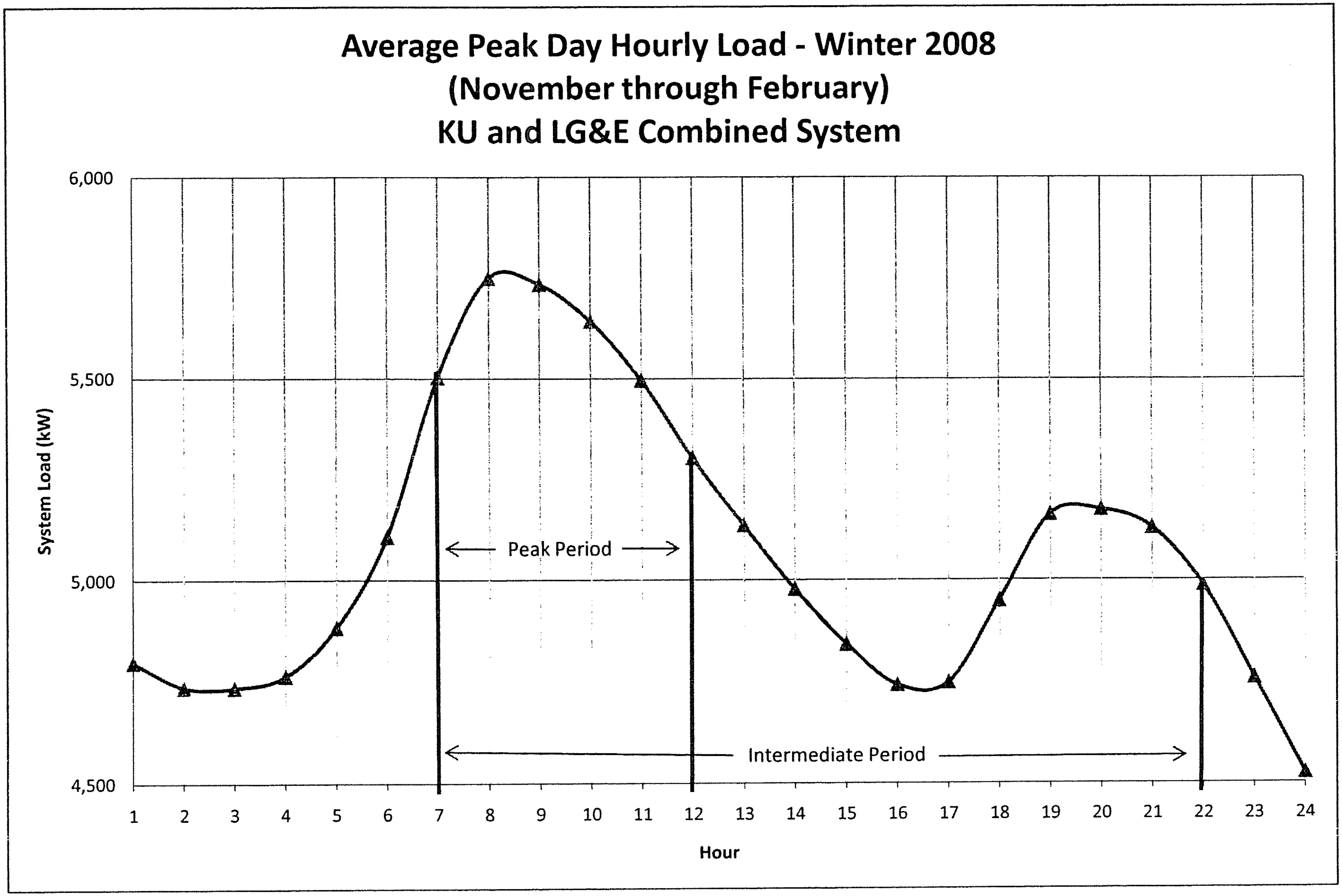
			Production		Transmission	Distribution		Customer Service Expenses	
	Description	Amount	Demand-Related	Energy-Related	Demand-Related	Demand-Related	Customer-Related	Customer-Related	Total
(1)	Rate Base	$ 870,969,477	$ 507,857,920	$ 18,062,787	$ 58,122,846	$ 120,557,614	$ 163,763,127	$ 2,605,183	$ 870,969,477
(2)	Rate Base Adjustments	144,530	84,275	2,997	9,645	20,005	27,175	432	$ 144,530
(3)	Rate Base as Adjusted	$ 871,114,007	$ 507,942,194	$ 18,065,785	$ 58,132,491	$ 120,577,619	$ 163,790,302	$ 2,605,615	$ 871,114,007
(4)	Rate of Return	5.86%	5.86%	5.86%	5.86%	5.86%	5.86%	5.86%	
(5)	Return	$ 51,032,393	$ 29,756,731	$ 1,058,346	$ 3,405,570	$ 7,063,788	$ 9,595,312	$ 152,645	$ 51,032,393
(6)	Interest Expenses	$ 22,249,565	$ 12,973,609	$ 461,427	$ 1,484,791	$ 3,079,734	$ 4,183,451	$ 66,551	$ 22,249,565
(7)	Net Income	$ 28,782,828	$ 16,783,122	$ 596,919	$ 1,920,779	$ 3,984,054	$ 5,411,861	$ 86,093	$ 28,782,828
(8)	Income Taxes	$ 15,474,088	$ 9,022,863	$ 320,913	$ 1,032,640	$ 2,141,888	$ 2,909,499	$ 46,285	$ 15,474,088
(9)	Operation and Maintenance Expenses	$ 254,634,222	$ 45,815,866	$ 168,820,783	$ 6,748,185	$ 3,393,333	$ 9,743,783	$ 20,112,274	$ 254,634,222
(10)	Depreciation Expenses	49,539,430	$ 32,180,564	$ -	$ 2,303,323	$ 6,398,586	$ 8,656,957	$ -	$ 49,539,430
(11)	Other Taxes	9,250,895	$ 5,510,798	$ -	$ 642,777	$ 1,316,357	$ 1,780,963	$ -	$ 9,250,895
(12)	Other Depreciation Expenses	2,654,297	$ 1,547,707	$ 55,047	$ 177,131	$ 367,402	$ 499,071	$ 7,939	$ 2,654,297
(13)	Curtailable Service Credit	1,148,660	$ 1,148,660	$ -	$ -	$ -	$ -	$ -	$ 1,148,660
(14)	Expense Adjustments - Prod. Demand	(5,819,952)	$ (5,819,952)	$ -	$ -	$ -	$ -	$ -	$ (5,819,952)
(15)	Expense Adjustments - Energy	(8,082,786)	$ -	$ (8,082,786)	$ -	$ -	$ -	$ -	$ (8,082,786)
(16)	Expense Adjustments - Trans. Demand	(238,477)	$ -	$ -	$ (238,477)	$ -	$ -	$ -	$ (238,477)
(17)	Expense Adjustments - Distribution	24,965,730	$ -	$ -	$ -	$ 10,585,963	$ 14,379,767	$ -	$ 24,965,730
(18)	Expense Adjustments - Other	(2,647,822)	$ (1,543,931)	$ (54,912)	$ (176,698)	$ (366,505)	$ (497,854)	$ (7,920)	$ (2,647,822)
(19)	Expense Adjustments - Total	$ 8,176,694	$ (7,363,883)	$ (8,137,698)	$ (415,175)	$ 10,219,458	$ 13,881,913	$ (7,920)	$ 8,176,694
(20)	Total Cost of Service	$ 391,910,678	$ 117,619,305	$ 162,117,390	$ 13,894,450	$ 30,900,811	$ 47,067,499	$ 20,311,222	$ 391,910,678
(21)	Less: Misc Revenue - Energy	$ (3,667,120)	$ -	$ (3,667,120)	$ -	$ -	$ -	$ -	$ (3,667,120)
(22)	Less: Misc Revenue - Other	(70,426,642)	$ (67,174,408)	$ (161,781)	$ (520,581)	$ (1,079,783)	$ (1,466,756)	$ (23,334)	$ (70,426,642)
(23)	Less: Misc Revenue - Total	(74,093,762)	$ (67,174,408)	$ (3,828,901)	$ (520,581)	$ (1,079,783)	$ (1,466,756)	$ (23,334)	$ (74,093,762)
(24)	Net Cost of Service	$ 317,816,916	$ 50,444,897	$ 158,288,490	$ 13,373,869	$ 29,821,028	$ 45,600,743	$ 20,287,889	$ 317,816,916
(25)	Billing Units		4,099,843,486	4,099,843,486	4,099,843,486	4,099,843,486	4,170,876	4,170,876	
(26)	Unit Costs		$ 0.01230	$ 0.03861	$ 0.00326	$ 0.00727	$ 10.93	$ 4.86	$ 15.80

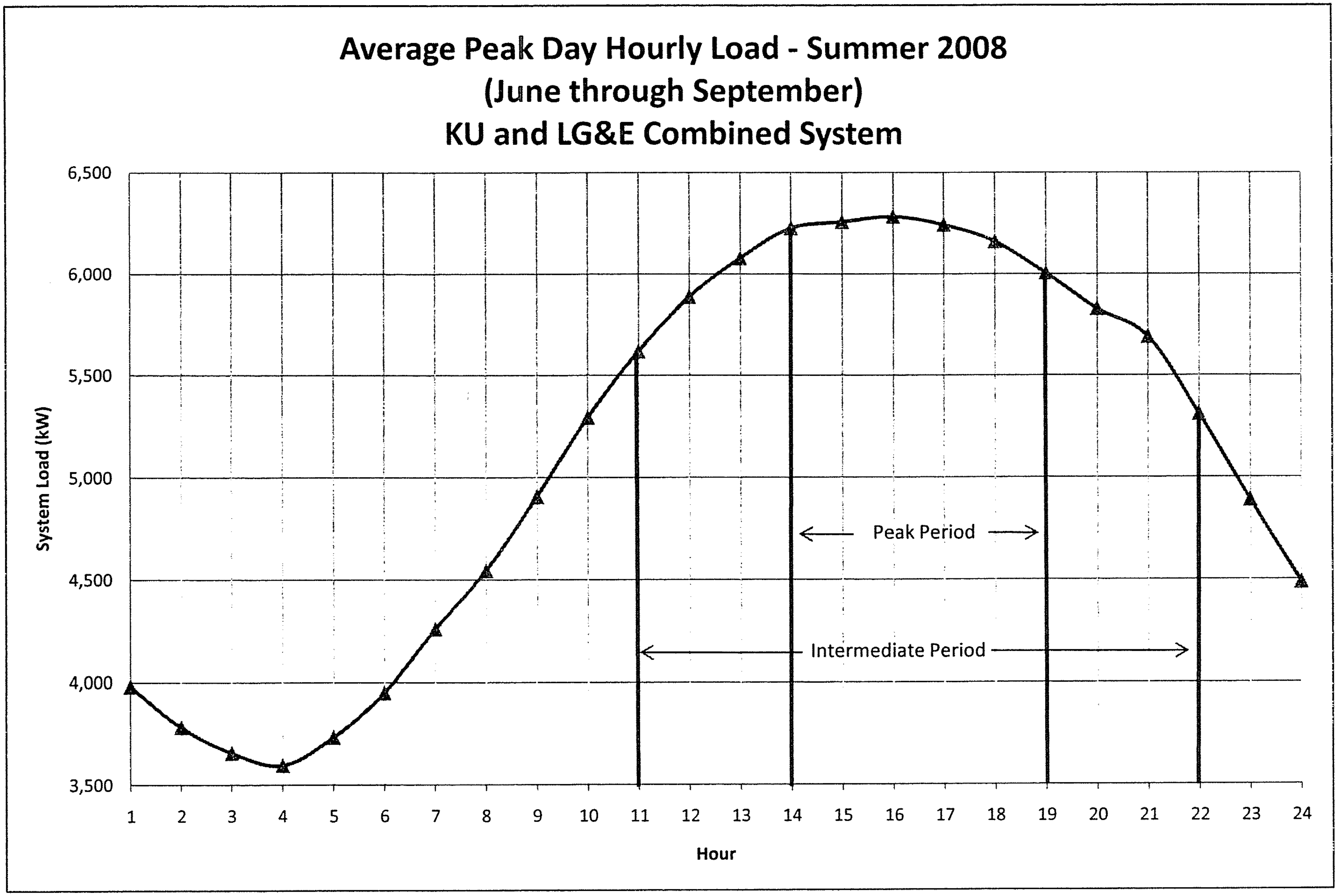
Seelye Exhibit 3

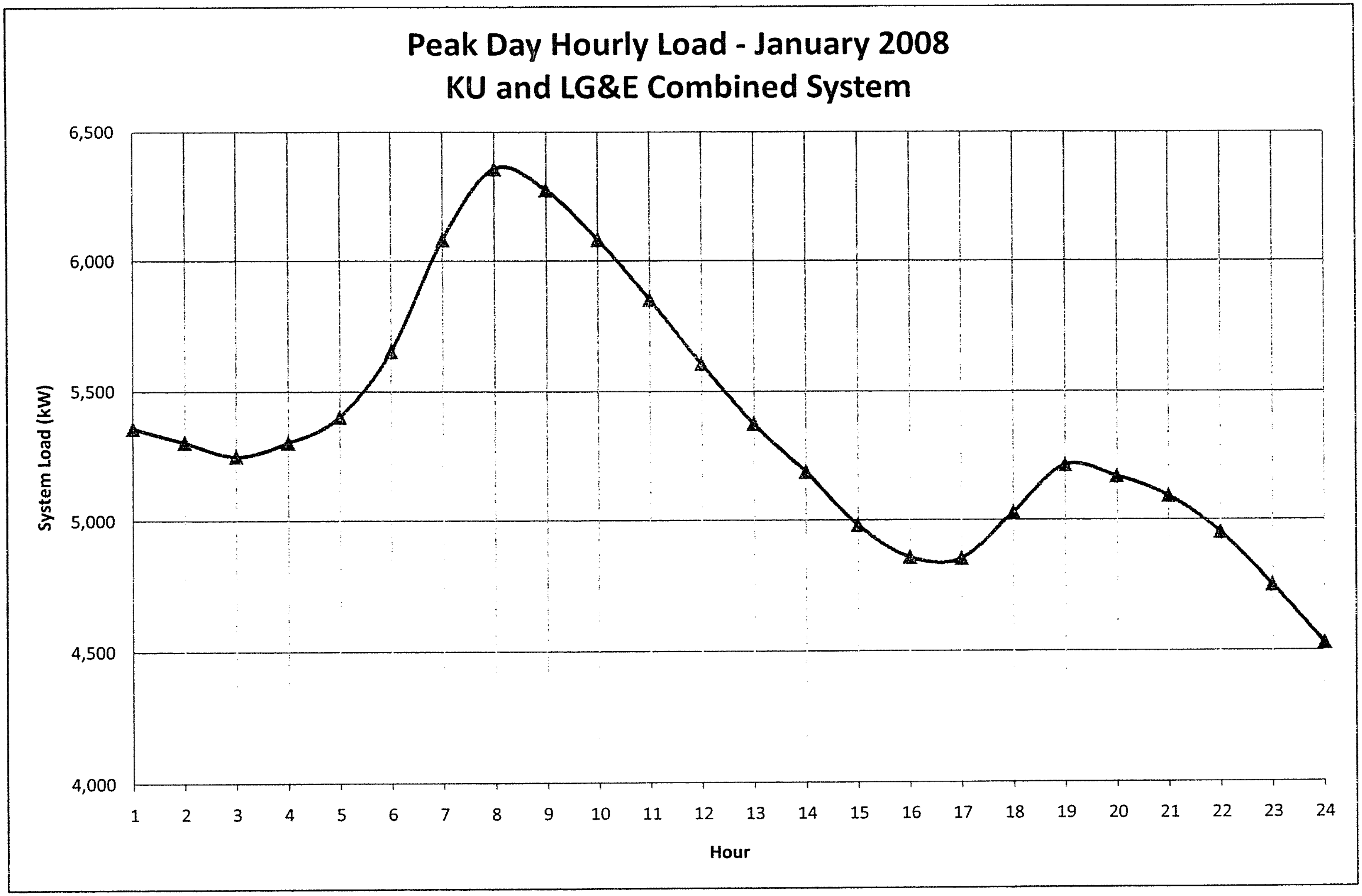
Time of Day Loads

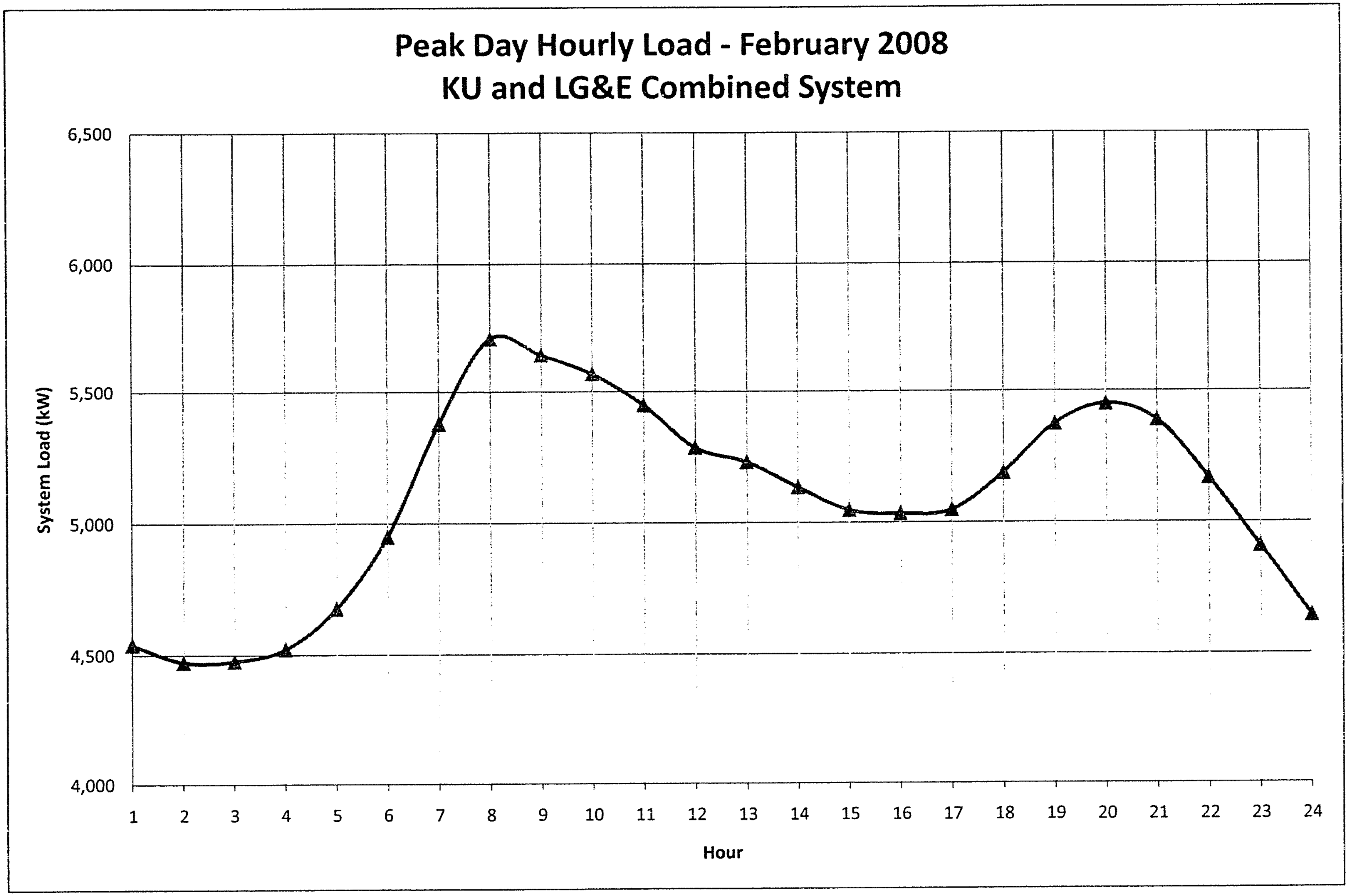
Average Peak Day Hourly Load - Non-Summer 2008
(October through May)
KU and LG&E Combined System

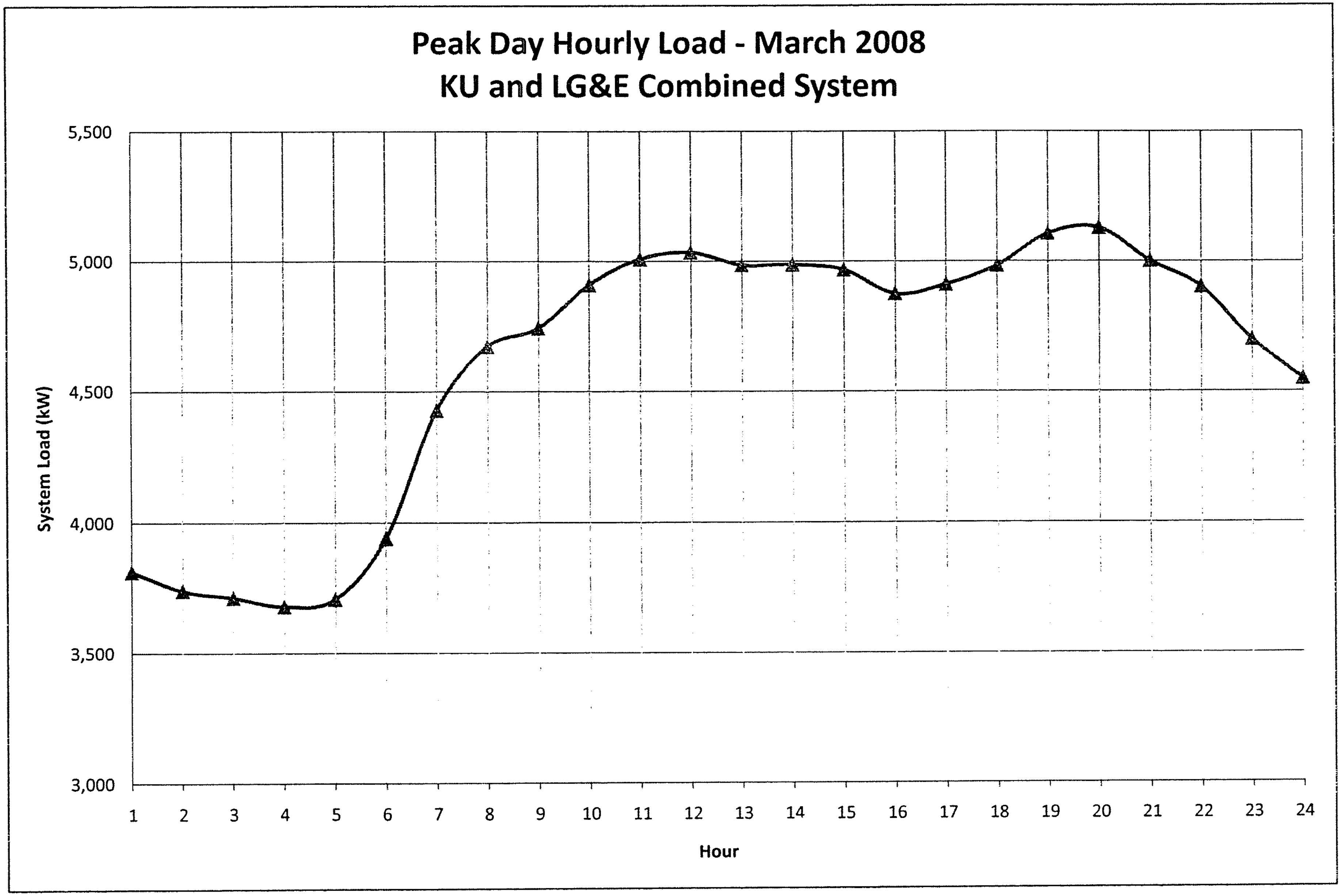


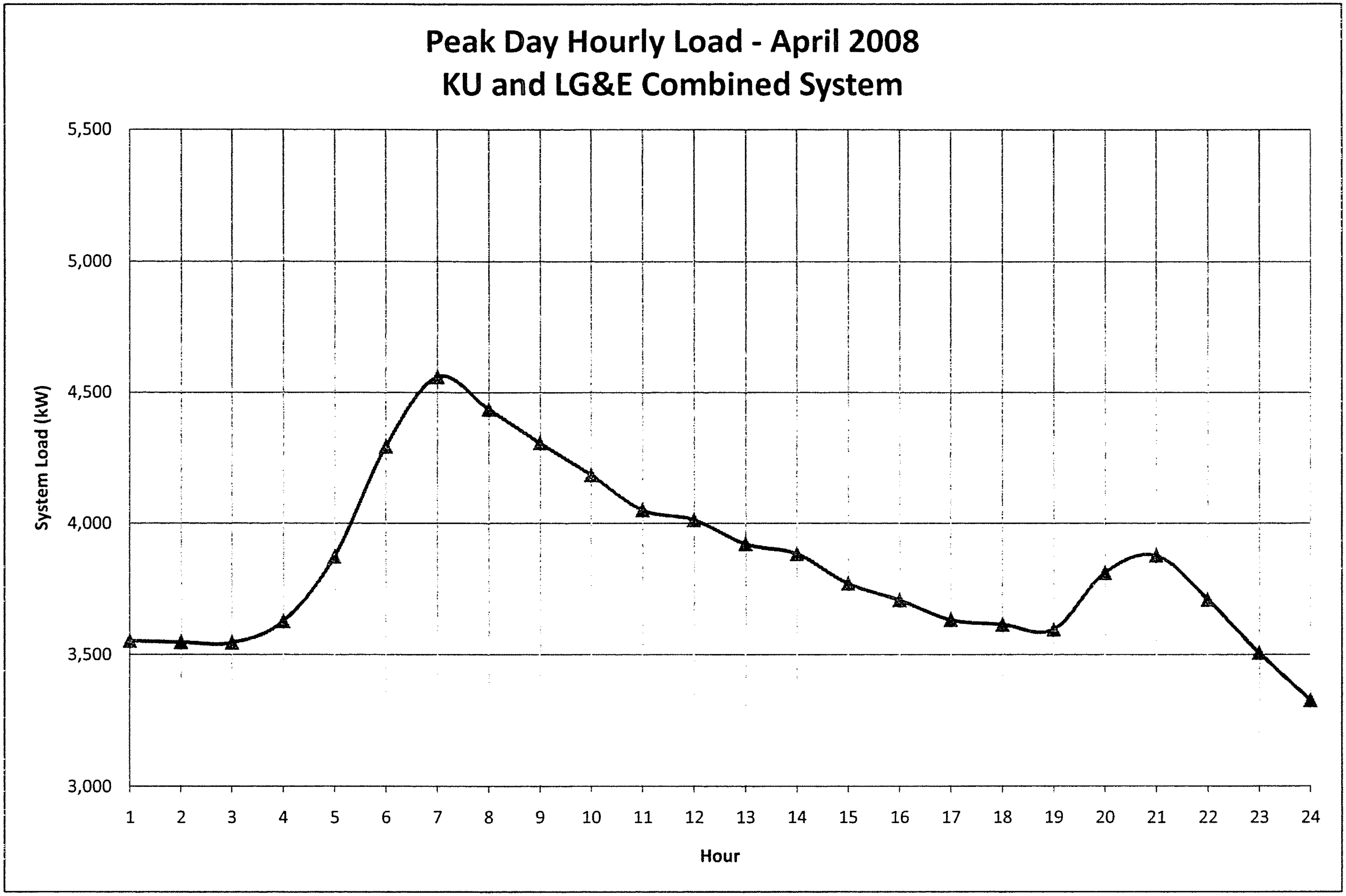

Average Peak Day Hourly Load - Winter 2008
(November through February)
KU and LG&E Combined System
6,000
5,500
5,000
4,500
System Load (kW)
Peak Period
Intermediate Period
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24
Hour

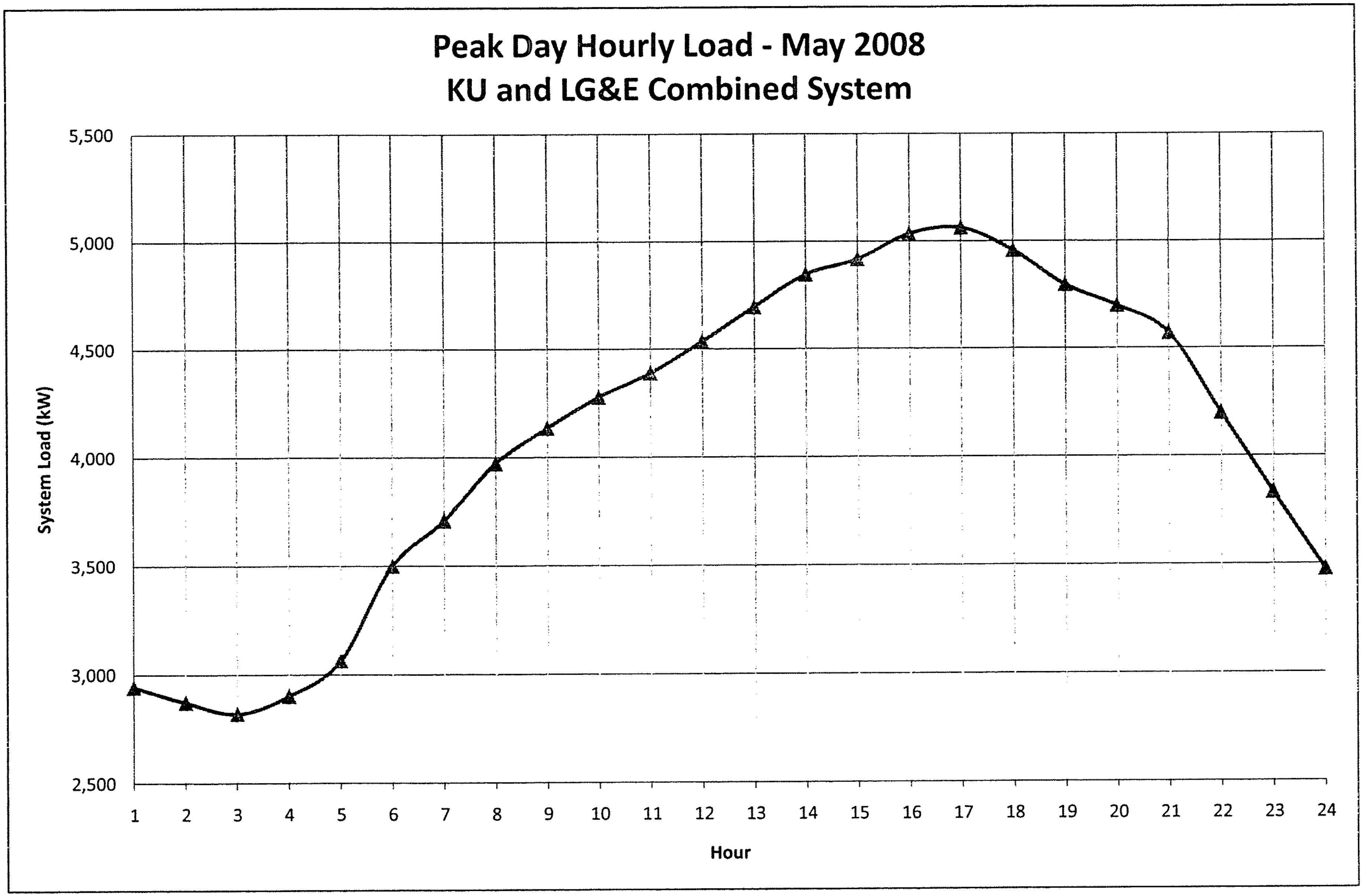

Average Peak Day Hourly Load - Summer 2008
(June through September)
KU and LG&E Combined System
System Load (kW)
6,500
6,000
5,500
5,000
4,500
4,000
3,500
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
Hour
Peak Period
Intermediate Period


Peak Day Hourly Load - January 2008
KU and LG&E Combined System
6,500
6,000
5,500
5,000
4,500
4,000
System Load (kW)
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
Hour

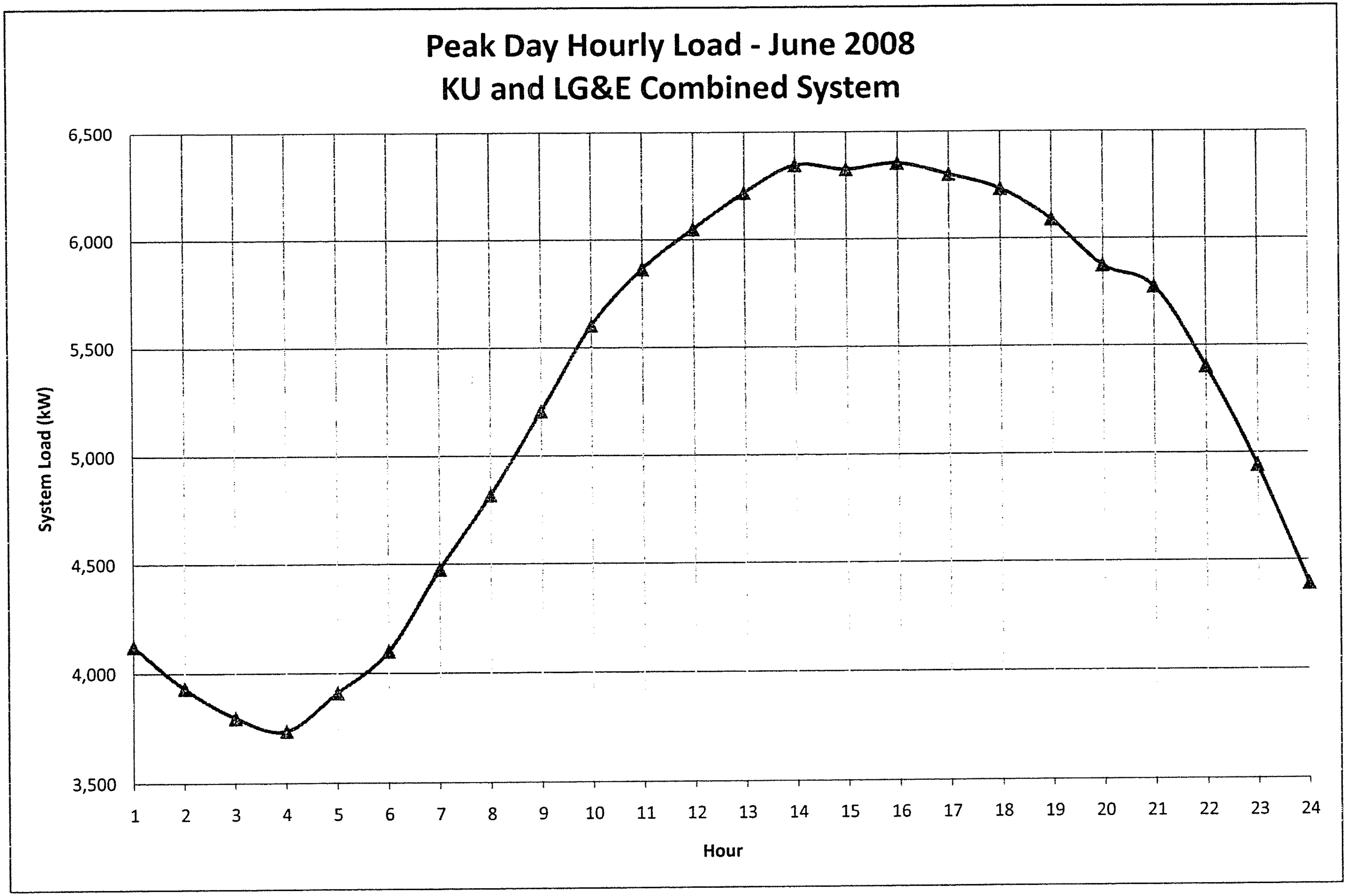

Peak Day Hourly Load - February 2008
KU and LG&E Combined System
6,500
6,000
5,500
5,000
4,500
4,000
System Load (kW)
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
Hour

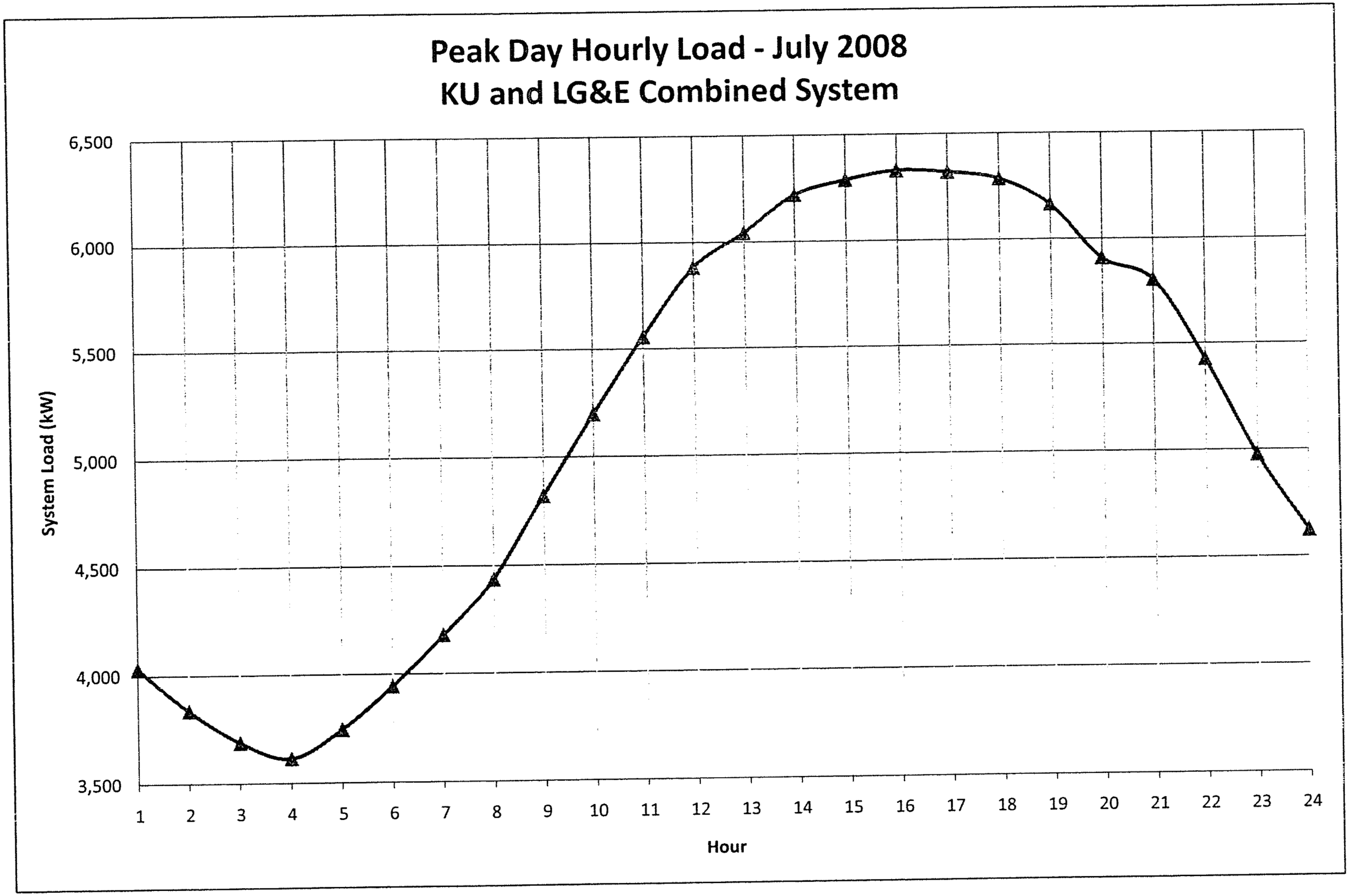

Peak Day Hourly Load - March 2008
KU and LG&E Combined System
System Load (kW)
5,500
5,000
4,500
4,000
3,500
3,000
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
Hour


Peak Day Hourly Load - April 2008
KU and LG&E Combined System
System Load (kW)
5,500
5,000
4,500
4,000
3,500
3,000
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24
Hour



Peak Day Hourly Load - May 2008
KU and LG&E Combined System
System Load (kW)
5,500
5,000
4,500
4,000
3,500
3,000
2,500
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24
Hour


Peak Day Hourly Load - June 2008
KU and LG&E Combined System
System Load (kW)
6,500
6,000
5,500
5,000
4,500
4,000
3,500
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
Hour


Peak Day Hourly Load - July 2008
KU and LG&E Combined System
System Load (kW)
6,500
6,000
5,500
5,000
4,500
4,000
3,500
1
2
3
4
5
6
7
8
9
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11
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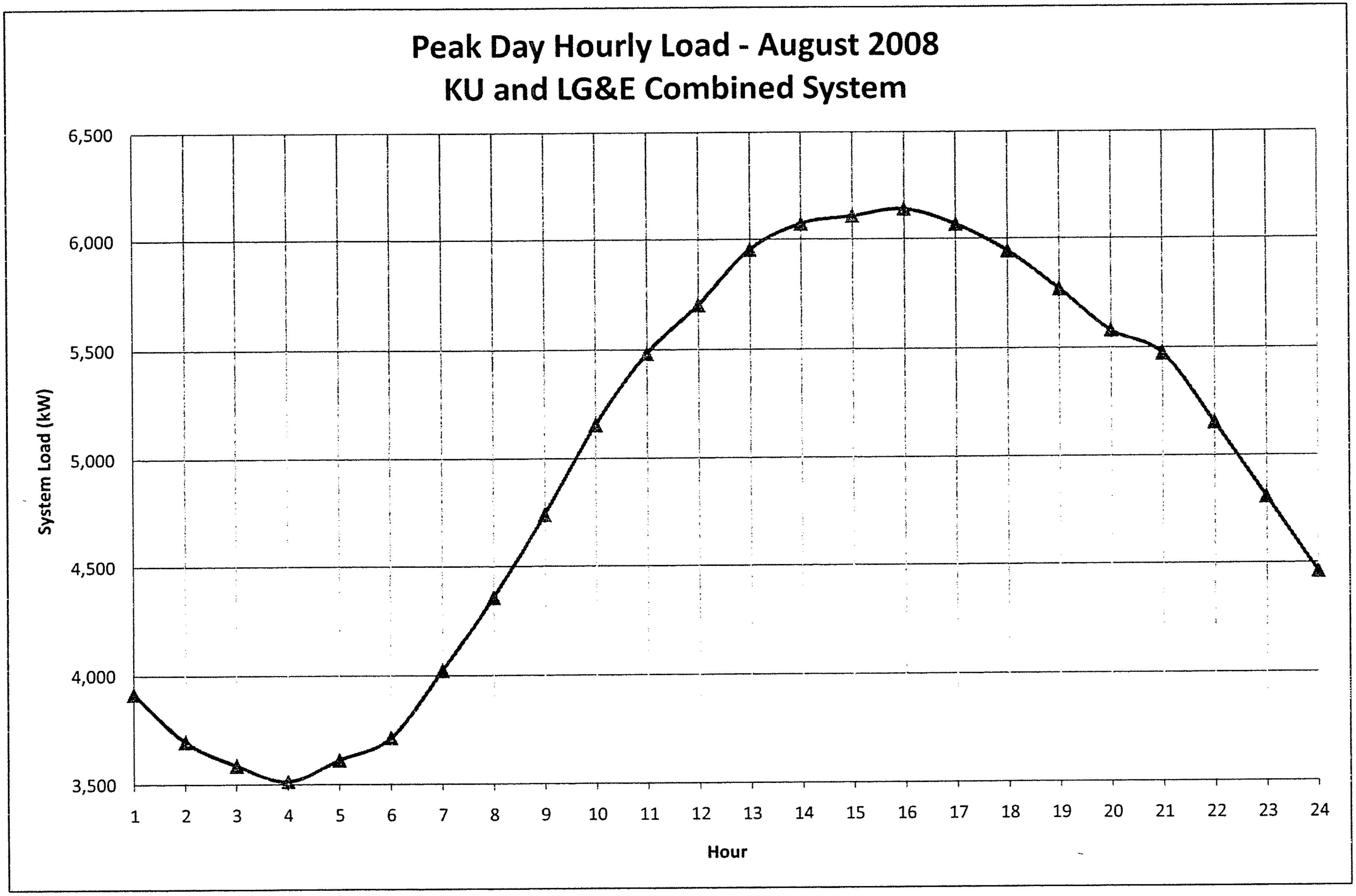
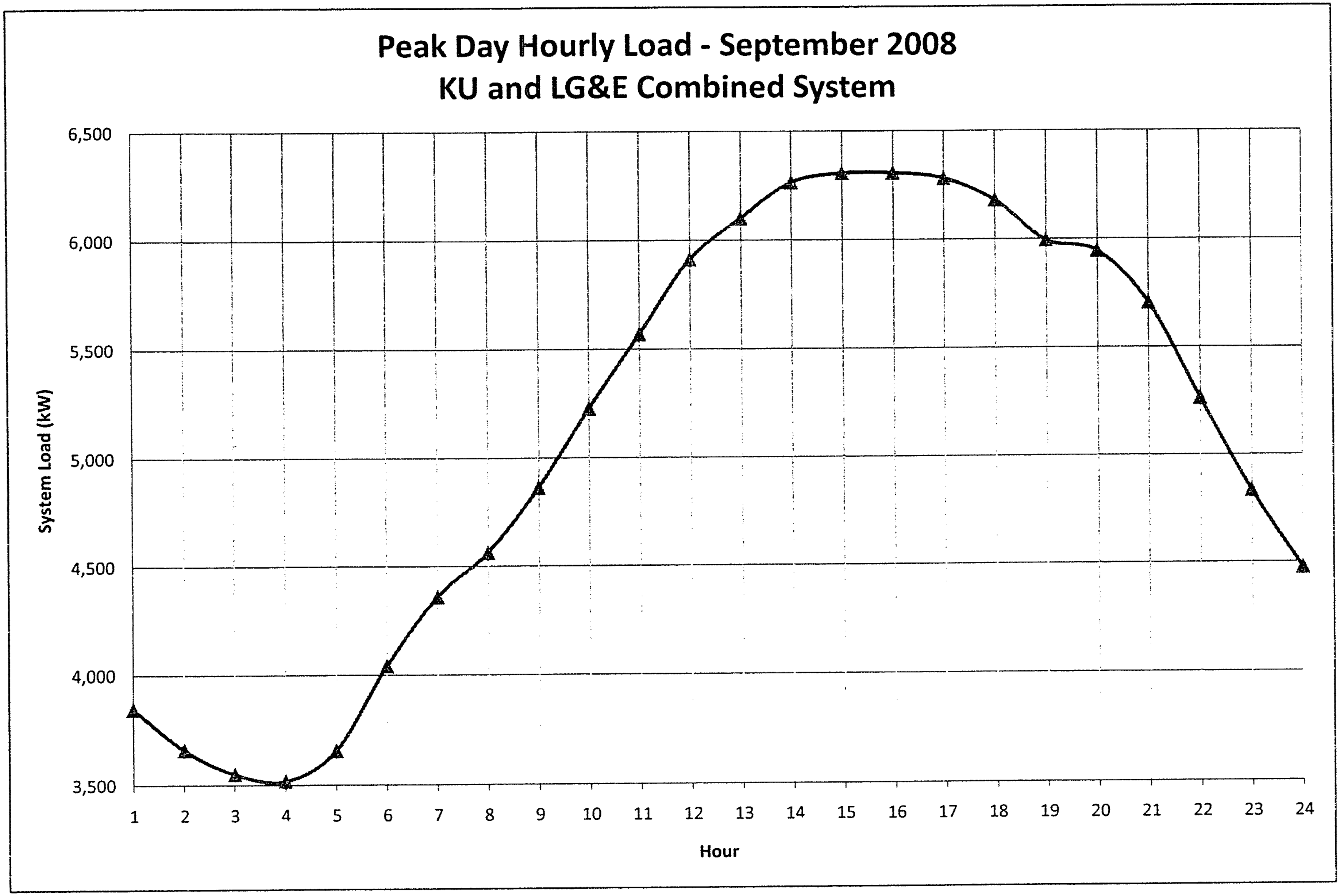
19
20
21
22
23
24
Hour


Peak Day Hourly Load - August 2008
KU and LG&E Combined System
System Load (kW)
6,500
6,000
5,500
5,000
4,500
4,000
3,500
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
Hour


Peak Day Hourly Load - September 2008
KU and LG&E Combined System
System Load (kW)
6,500
6,000
5,500
5,000
4,500
4,000
3,500
1
2
3
4
5
6
7
8
9
10
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12
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16
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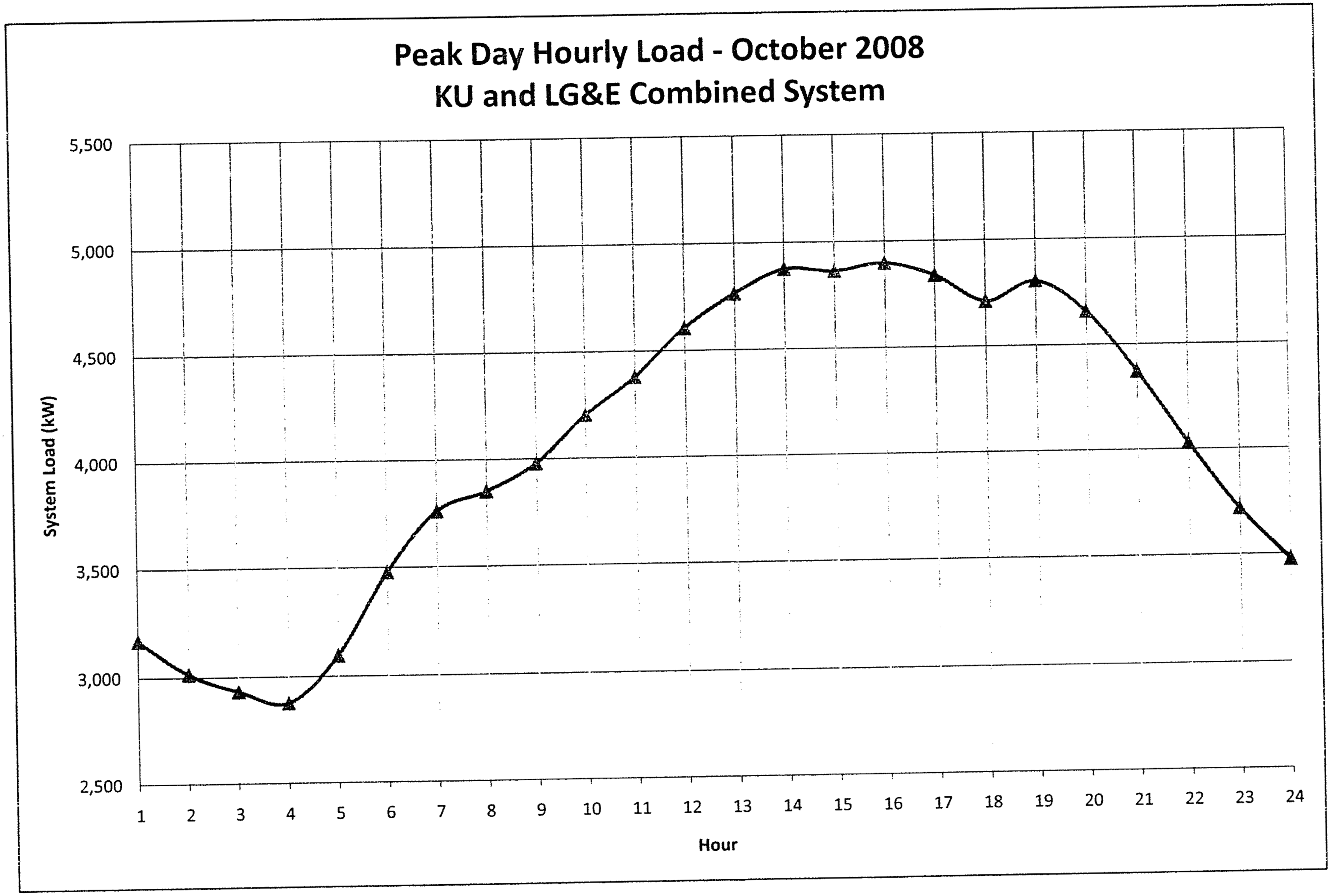
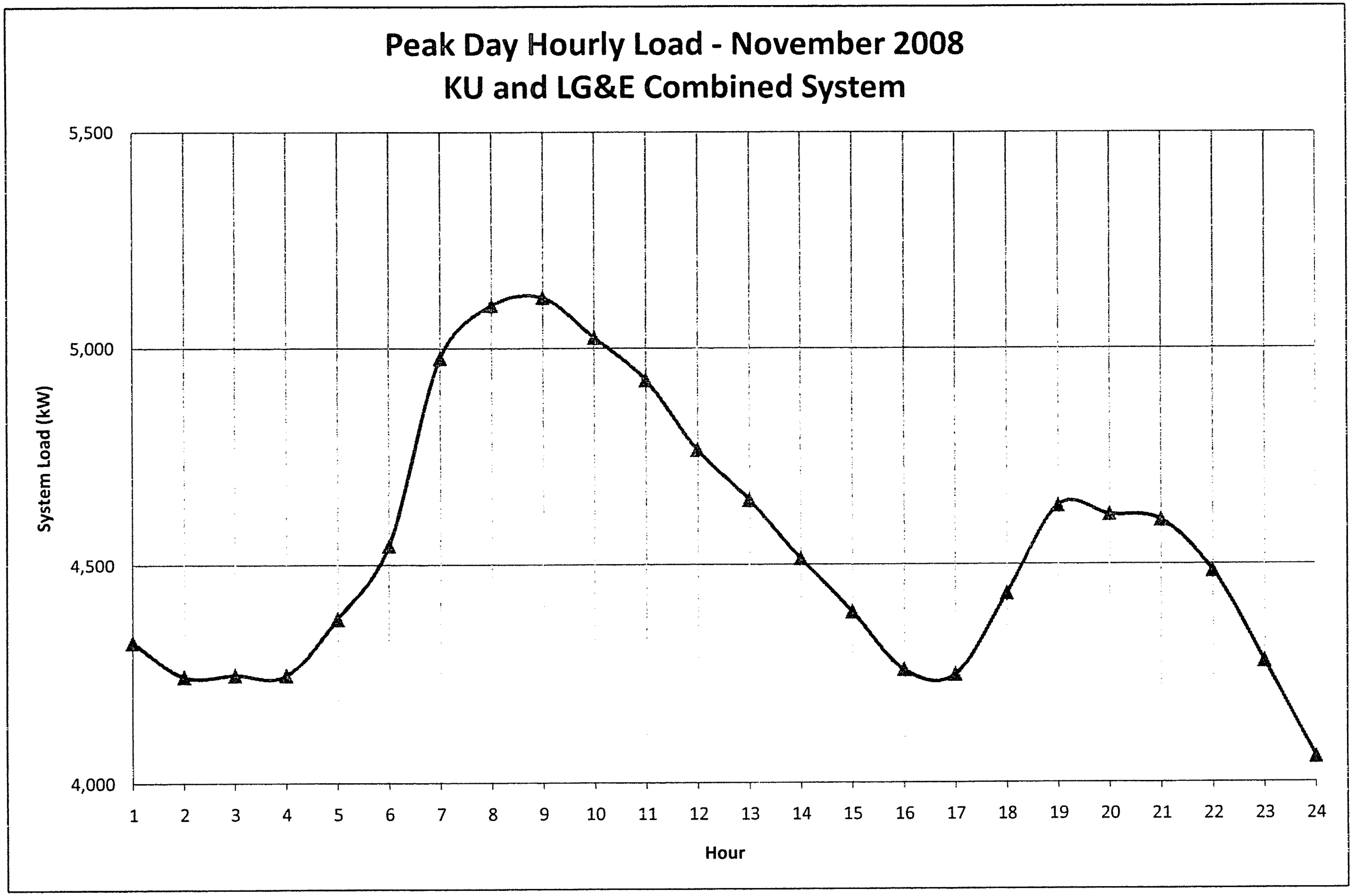
18
19
20
21
22
23
24
Hour


Peak Day Hourly Load - October 2008
KU and LG&E Combined System
5,500
5,000
4,500
4,000
3,500
3,000
2,500
System Load (kW)
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24
Hour


Peak Day Hourly Load - November 2008
KU and LG&E Combined System
5,500
5,000
4,500
4,000
System Load (kW)
1
2
3
4
5
6
7
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21
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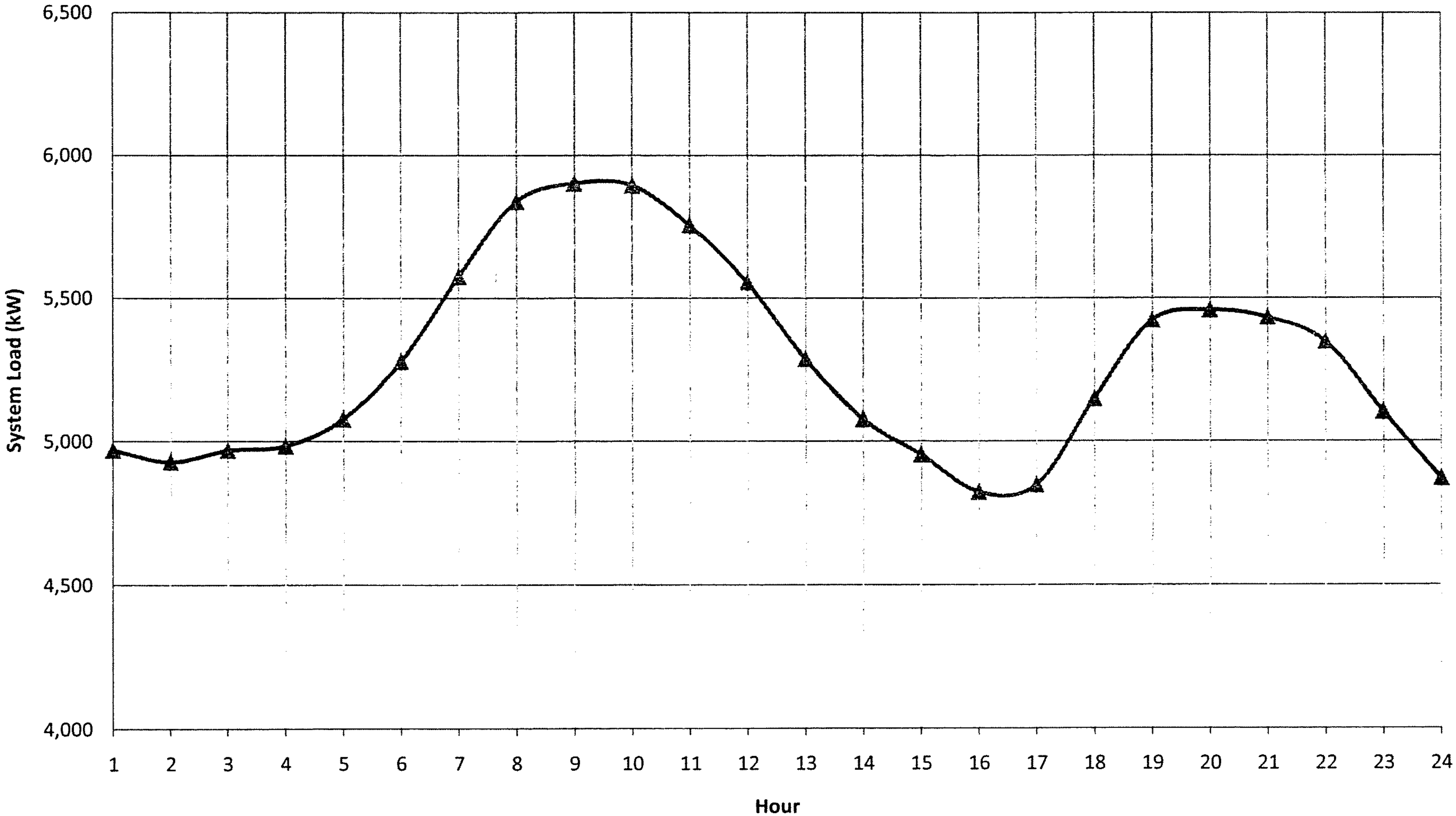
24
Hour

Peak Day Hourly Load - December 2008
KU and LG&E Combined System



Seelye Exhibit 4

Cost Support for New Lighting Rates

Louisville Gas and Electric Company
Cost Support for HPS Contemporary Fixture Only Charges

					HPS CONTEMPORARY FLOOD		
					170 Watt 16,000 Lumen Directional HPS fixture only	287 Watt 28,500 Lumen Directional HPS fixture only	463 Watt 50,000 Lumen Directional HPS fixture only
Estimated Investment per Unit					$785.01	$785.60	$787.43
Fixed Charges @ *	**17.52%**				$137.53	$137.63	$137.95
Energy per kwh **	POL =	$	0.04882	SYSTEM	$33.20	$56.05	$90.41
Operation and Maintenance					$12.35	$14.10	$14.10
Monthly Rate:					**$15.26**	**$17.31**	**$20.21**

Seelye Exhibit 5

Reconstruction of Electric Billing Determinants

Louisville Gas and Electric Company
Reconstruction of Test Year Revenues -- Summary
Twelve Months Ended October 31, 2009

	Revenue As Billed	FAC Billings	DSM Billings	STOD Billings	ECR Billings	Merger Surcredit Billings	CSR Billings	IB Billings	VDT Billings	Actual Net Revenue @ Base Rates	Calculated Net Revenue @ Base Rates	Calculated divided by Actual
Residential Rate												
Residential Service	$ 308,219,040	$ 11,446,903	$ 9,135,486	$ -	$ 3,332,445	$ (1,009,595)	$ -	$ -	$ -	$ 285,313,802	$ 284,842,125	0.998347
Residential Water Heating	858,863	39,316	27,954	-	9,091	(3,058)	-	-	-	785,560	785,331	0.999708
Residential Responsive Pricing	102,814	4,179	3,253	-	1,106	(343)	-	-	-	94,619	94,434	0.998040
Total Residential Service	309,180,717	11,490,398	9,166,692	-	3,342,642	(1,012,997)	-	-	-	286,193,981	285,721,889	0.998350
General Service												
General Service Single Phase	49,367,022	1,377,825	405,094	-	572,587	(105,780)	-	-	-	47,117,296	47,076,529	0.999135
General Service Space Heating	2,220,473	89,891	27,920	-	22,063	(9,971)	-	-	-	2,090,570	2,090,921	1.000168
General Service Water Heating	17,635	730	186	-	194	(47)	-	-	-	16,572	16,583	1.000713
General Service Responsive Pricing	1,059	24	5	-	12	0	-	-	-	1,017	1,018	1.000718
General Service Three Phase	61,561,265	2,678,914	679,489	-	643,665	(209,996)	-	-	(3)	57,769,196	57,727,893	0.999285
General Service Three Phase Primary (moved to rate IPP with P.S.C. 7	101,166	4,093	2,245	-	730	(1,484)	-	-	-	95,582	91,605	0.958395
Total General Service	113,268,618	4,151,478	1,114,940	-	1,239,251	(327,279)	-	-	(3)	107,090,231	107,004,550	0.999200
Large Commercial Rate												
Secondary	127,925,261	5,812,474	1,286,021	65,261	1,412,014	(374,684)	-	-	-	119,724,175	119,729,089	1.000041
Primary	9,731,497	509,549	110,998	5,687	108,592	(27,600)	-	-	-	9,024,272	9,023,424	0.999906
Large Commercial Time of Day Rate												
Secondary	22,095,455	1,113,522	262,652	3,305	243,405	(65,543)	-	-	-	20,538,114	20,523,742	0.999300
Primary	18,367,218	1,050,944	228,895	2,498	202,859	(43,500)	-	-	-	16,925,523	16,989,532	1.003782
Industrial Power Rate												
Secondary	31,677,176	1,484,952	-	-	347,861	(90,022)	-	-	-	29,934,385	29,899,861	0.998847
Primary	6,231,516	333,787	277	-	67,224	(19,135)	-	-	-	5,849,363	5,878,328	1.004952
Industrial Power Time of Day Rate												
Secondary	2,514,177	119,198	-	-	27,981	(6,586)	-	-	-	2,373,584	2,375,054	1.000619
Primary Noninterruptible	66,666,081	3,883,304	-	-	740,980	(173,502)	-	-	-	62,215,299	62,346,269	1.002105
Primary Interruptible	9,673,393	729,310	-	-	112,240	(28,796)	(1,765,763)	110,849	-	10,515,553	10,515,553	1.000000
Transmission Noninterruptible (moved to rate RTS with P.S.C. 7)	3,574,628	171,265	-	-	23,761	(50,620)	-	-	-	3,430,222	3,424,806	0.998421
Transmission Interruptible (moved to rate RTS with P.S.C. 7)	1,885,552	107,202	-	-	13,537	(28,453)	(184,958)	-	-	1,978,225	1,978,225	1.000000
Retail Transmission Service												
Transmission Noninterruptible (moved to rate RTS with P.S.C. 7)	9,476,139	672,487	-	-	125,408	9,497	-	-	-	8,668,748	8,669,671	1.000107
Transmission Interruptible (moved to rate RTS with P.S.C. 7)	4,904,561	307,883	-	-	67,090	9,076	(716,732)	4,788	-	5,232,456	5,232,456	1.000000
Special Contracts												
Fort Knox	10,478,887	657,479	-	-	116,364	(27,098)	-	-	-	9,732,141	9,729,138	0.999691
Louisville Water Company	2,603,901	180,407	-	-	27,425	(9,175)	-	-	-	2,405,243	2,402,969	0.999055
DuPont (moved to rate ITOD-P)	1,263,109	78,703	-	-	8,860	(14,059)	-	-	-	1,189,605	1,189,849	1.000204
Street Lighting Energy Rate	178,739	10,450	-	-	1,850	(954)	-	-	-	167,393	166,626	0.995418
Traffic Lighting Rate	244,878	10,540	-	-	2,611	(1,122)	-	-	-	232,849	230,451	0.989702
Restricted Lighting Service	13,303,082	305,984	-	-	142,217	(38,261)	-	-	-	12,893,142	12,897,874	1.000367
Lighting Service	1,421,007	21,973	-	-	15,454	(3,592)	-	-	-	1,387,173	1,387,921	1.000540
Total	$ 766,665,592	$ 33,203,288	$ 12,170,476	$ 76,751	$ 8,389,626	$ (2,324,406)	$ (2,667,453)	$ 115,637	$ (3)	$ 717,701,676	$ 717,317,276	0.999464

Seelye Exhibit 6

Summary of Electric Revenue Increase

LOUISVILLE GAS AND ELECTRIC COMPANY

Summary of Proposed Increase
Based on Sales for the 12 months ended October 31, 2009

	Revenue Adjusted to as Billed Basis	To Remove Buy-Through Power Charged	Adjustment to Remove ECR Billings	Adjustment to Renove STOD Program Cost Recovery	Adjustment to Remove DSM Billings	Adjustment to Remove Merger Surcredit Billings	Adjustment to Remove Value Deliver Surcredit	Adjustment to Reflect a Full Year of Base Rate Changes for P.S.C. 7	Adjustment to Reflect a Full Year of Base Rate Changes for FAC Rollin	Adjustment to Reflect FAC Billings for Full Year of the Rollin	Adjustment to Reflect Full Year of Base Rate Changes for ECR Rollin	Adjustment to Reflect ECR Billings for Full Year of the Rollin	Adjustment Reflecting Year-End Number of Customers	Adjustment Reflecting Temperature Normalization	Adjusted Billings at Current Rates	Increase	Percentage Increase
Residential Rate	$ 309,180,717		$ (3,342,642)		$ (9,166,692)	$ 1,012,997	$ -	$ (1,172,720)	$ 9,001,764	$ (9,018,980)	$ 2,294,904	$ 1,013,224	$ (1,624,995)	$ 4,284,606	$ 302,462,182	$ 36,859,770	12.19%
General Service	113,167,453		(1,238,521)		(1,112,695)	325,795	3	801,474	3,216,968	(3,230,702)	2,469,204	444,067	(1,317,520)	475,872	114,001,397	13,879,697	12.18%
Power Service	175,666,617		(1,936,420)	(76,751)	(1,399,542)	512,926	-	(834,920)	6,262,654	(6,334,524)	1,216,642	701,995	2,003,635	283,244	176,065,555	21,442,743	12.18%
Commercial Time of Day Service																	
Commercial Time-of-Day Service Secondary CTODS	22,095,455		(243,405)		(262,652)	65,543	-	(132,729)	859,598	(872,160)	125,043	85,685	3,109,296	40,404	24,870,078		
Commercial Time-of-Day Service Primary CTODS	18,367,218		(202,859)		(228,895)	43,500	-	(103,302)	761,804	(775,638)	108,667	76,528	2,848,181	27,262	20,922,468		
Total Commercial TOD Service	$ 40,462,674		$ (446,264)		$ (491,547)	$ 109,043	$ -	$ (236,030)	$ 1,621,403	$ (1,647,798)	$ 233,711	$ 162,213	$ 5,957,477	$ 67,666	$ 45,792,547	$ 5,576,623	12.18%
Industrial Power Time of Day Service																	
Industrial Time-of-Day Service Secondary ITODS	2,514,177		(27,981)		-	6,586	-	(10,706)	90,116	(94,729)	12,393	11,275	736,101	-	3,237,232		
Industrial Time-of-Day Service Secondary ITODP	79,368,346	(110,849)	(862,079)	-	-	216,357	-	(632,527)	3,480,284	(3,680,287)	384,132	290,751	5,305,802	-	83,759,929		
Total Industrial TOD Service	$ 81,882,523	$ (110,849)	$ (890,060)	$ -	$ -	$ 222,943	$ -	$ (643,233)	$ 3,570,400	$ (3,775,015)	$ 396,526	$ 302,025	$ 6,041,903	$ -	$ 86,997,161	$ 10,596,615	12.18%
Retail Transmission Service	20,742,571		(229,797)		-	60,501	-	(411,843)	961,929	(1,104,581)	128,736	69,923	-	-	20,212,652	2,464,135	12.19%
Special Contracts	13,082,788		(143,789)		-	36,272	-	(46,458)	648,844	(698,026)	85,622	41,419	-	39,835	13,046,506	1,590,095	12.19%
Curtailable Service Rider - Pri	(1,765,763)														(1,765,763)		
Curtailable Service Rider - Tran	(901,690)														(901,690)		
Total Curtailable Service	$ (2,667,453)														$ (2,667,453)		
Street Lighting Energy Rate	178,739		(1,850)		-	954	-	(1,288)	9,626	(8,500)	(450)	675	(4,519)		173,386		
Traffic Lighting Rate	244,878		(2,611)		-	1,122	-	(1,061)	8,986	(7,678)	(436)	976	3,455		247,632		
Restricted Lighting Service	13,303,082		(142,217)		-	38,261	-	(15,020)		(17,523)		5,878	441,193		13,613,655		
Lighting Service	1,421,007		(15,454)		-	3,592	-	-					(284,131)		1,125,014		
	$ 15,147,704		$ (162,133)		$ -	$ 43,930	$ -	$ (17,368)	$ 18,612	$ (33,701)	$ (886)	$ 7,529	$ 155,999	$ -	$ 15,159,687	$ 1,847,743	12.19%
Total (w/o CSR Credits)	$ 766,665,592	$ (110,849)	$ (8,389,626)	$ (76,751)	$ (12,170,476)	$ 2,324,406	$ 3	$ (2,561,098)	$ 25,302,574	$ (25,843,327)	$ 6,824,458	$ 2,742,394	$ 11,216,500	$ 5,151,223	$ 771,070,235	$ 94,257,422	12.22%
Total Forfeited Discounts	5,040,755														5,040,755		
Electric Service Revenues	963,922														963,922		
Rent from Electric Property	2,613,870														2,613,870	313,898	
Oth Misc Elect Rev	1,537,870														1,537,870	882	
Total	$ 776,822,010	$ (110,849)	$ (8,389,626)	$ (76,751)	$ (12,170,476)	$ 2,324,406	$ 3	$ (2,561,098)	$ 25,302,574	$ (25,843,327)	$ 6,824,458	$ 2,742,394	$ 11,216,500	$ 5,151,223	$ 781,226,653	$ 94,572,202	12.11%

Seelye Exhibit 7

Electric Revenue Increase by Rate Schedule

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
RESIDENTIAL RATE RS						
Customer Charges	4,131,523		$ 5.00	$ 20,657,615	$ 15.00	$ 61,972,845
All Energy		4,096,604,929	$ 0.067140	275,046,055	$ 0.06610	270,785,586
Minimum Energy				27,453		30,893
				295,731,123		332,789,324
RATE RRP - RESIDENTIAL RESPONSIVE PRICING						
Customer Charges	1,150		$ 10.00	$ 11,500	$ 20.00	$ 23,000
All Energy		820,070	$ 0.046280	37,953	$ 0.04556	37,365
		433,022	$ 0.058590	25,371	$ 0.05768	24,978
		177,903	$ 0.112780	20,064	$ 0.11103	19,753
		6,151	$ 0.307430	1,891	$ 0.30267	1,862
		1,437,146				
Minimum Energy				1,236		1,366
				98,014		108,323
Total Calculated at Base Rates				$ 295,829,137		$ 332,897,647
Correction Factor				0.998350450		0.998350450
Total After Application of Correction Factor				$ 296,317,929		$ 333,447,686
Fuel Clause Billings - proforma for rollin				$ 2,471,419		2,471,419
ECR Billings - proforma for rollin				1,013,224		1,013,224
Adjustment to Reflect Year-End Customers				(1,624,995)		(1,828,613)
Adjustment to Reflect Temperature Normalization				4,284,606		4,218,237
Total				$ 302,462,183		$ 339,321,953
Proposed Increase						36,859,770
Percentage Increase						12.19%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
GENERAL SERVICE RATE GS						
Single Phase						
Customer Charges	353,877		$ 10.00	$ 3,538,770	$ 20.00	$ 7,077,540
All Energy		631,688,944	$ 0.075790	47,875,705	$ 0.08117	51,274,192
Minimum Energy				186,138		211,253
				51,600,613		58,562,985
Three Phase						
Customer Charges	139,826		$ 15.00	$ 2,097,390	$ 35.00	$ 4,893,910
All Energy		787,385,925	$ 0.075790	59,675,979	$ 0.08117	63,912,116
Minimum Energy				18,132		20,196
				61,791,501		68,826,221
RATE GRP - GENERAL SERVICE RESPONSIVE PRICING						
Customer Charges	22		$ 20.00	$ 440	$ 30.00	$ 660
All Energy		3,588	$ 0.053180	191	$ 0.05696	204
		3,307	$ 0.068080	225	$ 0.07291	241
		1,484	$ 0.142470	211	$ 0.15258	226
		98	$ 0.308610	30	$ 0.33052	32
		8,477				
Minimum Energy				(54)		(67)
				1,043		1,297
Total Calculated at Base Rates				$ 113,393,157		$ 127,390,503
Correction Factor				0.999199909		0.999199909
Total After Application of Correction Factor				$ 113,483,955		$ 127,492,508
Fuel Clause Billings - proforma for rollin				$ 915,024		915,024
ECR Billings - proforma for rollin				444,067		444,067
Adjustment to Reflect Year-End Customers				(1,317,520)		(1,480,156)
Adjustment to Reflect Temperature Normalization				475,872		509,652
Total				$ 114,001,397		$ 127,881,095
Proposed Increase						13,879,697
Percentage Increase						12.18%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills / kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
POWER SERVICE PRIMARY RATE PS						
Customer Charges	634		$ 65.00	$ 41,210	$ 90.00	$ 57,060
All Energy		169,859,360	$ 0.029560	5,021,043	$ 0.033230	5,644,427
Demand Summer	144,404		$ 13.15	$ 1,898,913		
Demand Winter	237,702		$ 10.35	$ 2,460,216		
Demand Summer	174,562				$ 13.73	2,396,742
Demand Winter	207,544				$ 11.48	2,382,600
		169,859,360				
Minimum Energy				12,391		7,499
				9,433,772		10,488,328
POWER SERVICE PRIMARY RATE PS						
Customer Charges	526		$ 90.00	$ 47,340	$ 90.00	$ 47,340
All Energy		110,455,845	$ 0.026110	2,884,002	$ 0.033230	3,670,448
Demand Summer	87,394		$ 13.34	$ 1,165,836	$ -	-
Demand Winter	193,112		$ 10.75	$ 2,075,954	$ -	-
Demand Summer	111,774				$ 13.73	1,534,662
Demand Winter	168,732				$ 11.48	1,937,039
		110,455,845				
Minimum Energy				12,889		7,763
				6,186,022		7,197,252
POWER SERVICE SECONDARY RATE PS						
Customer Charges	32,244		$ 65.00	$ 2,095,860	$ 90.00	$ 2,901,960
All Energy		1,962,425,059	$ 0.029560	58,009,285	$ 0.033230	65,211,385
Demand Summer	1,738,193		$ 14.99	$ 26,055,513	$ -	-
Demand Winter	3,206,893		$ 11.93	$ 38,258,233	$ -	-
Demand Summer	2,145,068				$ 15.57	33,398,702
Demand Winter	2,800,018				$ 13.32	37,296,246
		1,962,425,059				
Minimum Energy				105,544		57,780
				124,524,435		138,866,072
INDUSTRIAL POWER SERVICE RATE IPS-Secondary						
Customer Charges	3,902		$ 90.00	$ 351,180	$ 90.00	$ 351,180
All Energy		498,246,495	$ 0.026110	13,009,216	$ 0.033230	16,556,731
Demand Summer	447,704		$ 15.10	$ 6,760,330	$ -	-
Demand Winter	882,709		$ 12.51	$ 11,042,690	$ -	-
Demand Summer	559,146				$ 15.57	8,705,903
Demand Winter	771,267				$ 13.32	10,273,276
		498,246,495				
Minimum Energy				(44,509)		(24,149)
				31,118,907		35,862,942
		Total Calculated at Base Rates		$ 171,263,136		$ 192,414,594
		Correction Factor		0.999990920		0.999990920
		Total After Application of Correction Factor		$ 171,264,691		$ 192,416,341
Fuel Clause Billings - proforma for rollin				$ 1,811,990		1,811,990
ECR Billings - proforma for rollin				701,995		701,995
Adjustment to Reflect Year-End Customers				2,003,635		2,251,090
Adjustment to Reflect Temperature Normalization				283,244		326,882
Total				$ 176,065,555		$ 197,508,297
Proposed Increase						21,442,743
Percentage Increase						12.18%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills / kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
COMMERCIAL TIME OF DAY PRIMARY RATE CTOD						
Customer Charges	218		$ 90.00	$ 19,620	$ 200.00	$ 43,600
All Energy		340,177,714	$ 0.029600	10,069,260	$ 0.033440	11,375,543
Demand Base	685,951		$ 2.64	$ 1,810,910		
Demand Summer	240,141		$ 10.50	$ 2,521,481		
Demand Winter	432,250		$ 7.70	$ 3,328,325		
Demand Base	692,810				$ 2.99	2,071,502
Demand Intermediate	672,391				$ 4.20	2,824,042
Demand Peak	664,483				$ 5.70	3,787,553
		340,177,714				
Minimum Energy				7,107		5,091
				17,756,702		20,107,331
COMMERCIAL TIME OF DAY SECOMDARY RATE CTOD						
Customer Charges	868		$ 90.00	$ 78,120	$ 200.00	$ 173,600
All Energy		378,424,027	$ 0.029600	11,201,351	$ 0.033440	12,654,499
Demand Base	785,990		$ 3.65	$ 2,868,862		
Demand Summer	283,242		$ 11.29	$ 3,197,802		
Demand Winter	493,809		$ 8.23	$ 4,064,049		
Demand Base	793,850				$ 4.14	3,286,537
Demand Intermediate	777,051				$ 4.28	3,328,887
Demand Peak	767,912				$ 5.81	4,464,641
		378,424,027				
Minimum Energy				(26,574)		(29,675)
				21,383,611		23,878,490
Total Calculated at Base Rates				$ 39,140,313		$ 43,985,821
Correction Factor				1.001324937		1.001324937
Total After Application of Correction Factor				$ 39,088,523		$ 43,927,620
Fuel Clause Billings - proforma for rollin				$ 516,668		516,668
ECR Billings - proforma for rollin				162,213		162,213
Adjustment to Reflect Year-End Customers				5,957,477		6,695,004
Adjustment to Reflect Temperature Normalization				67,666		67,666
Total				$ 45,792,546		$ 51,369,170
Proposed Increase						5,576,623
Percentage Increase						12.18%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills / kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
INDUSTRIAL TIME OF DAY PRIMARY RATE ITODP						
Customer Charges	503		$ 120.00	$ 60,360	$ 300.00	$ 150,900
All Energy		1,570,265,493	$ 0.026160	41,078,145	$ 0.029360	46,102,995
Demand Base	3,320,227		$ 3.85	$ 12,782,874		
Demand Summer	1,239,053		$ 9.35	$ 11,585,147		
Demand Winter	2,016,530		$ 6.76	$ 13,631,741		
Demand Base (kVA)	3,483,974				$ 4.12	14,353,972
Demand Intermediate (kVa)	3,416,142				$ 3.42	11,683,204
Demand Peak (kVa)	3,375,964				$ 4.92	16,609,743
		1,570,265,493				
Power Factor Correction Revenue-Interruptible				(321,025)		(360,627)
Minimum Energy				(1,525,968)		(1,714,212)
				77,291,276		86,825,976
INDUSTRIAL TIME OF DAY SECOMDARY RATE ITODS						
Customer Charges	161		$ 120.00	$ 19,320	$ 300.00	$ 48,300
All Energy		42,191,442	$ 0.026160	1,103,728	$ 0.029360	1,238,741
Demand Base	105,652		$ 4.91	$ 518,751		
Demand Summer	36,477		$ 10.05	$ 366,594		
Demand Winter	64,426		$ 7.46	$ 480,618		
Demand Base	106,709				$ 5.48	584,763
Demand Intermediate	100,903				$ 4.00	403,612
Demand Peak	99,716				$ 5.50	548,439
		42,191,442				
Power Factor Correction Revenue-Interruptible				-		-
Minimum Energy				(22,154)		(25,134)
				2,466,858		2,798,721
Total Calculated at Base Rates				$ 79,758,133		$ 89,624,697
Correction Factor				1.001763418		1.001763418
Total After Application of Correction Factor				$ 79,617,734		$ 89,466,929
Fuel Clause Billings - proforma for rollin				$ 1,035,499		1,035,499
ECR Billings - proforma for rollin				302,025		302,025
Adjustment to Reflect Year-End Customers				6,041,903		6,789,323
Adjustment to Reflect Temperature Normalization				-		-
Total				$ 86,997,161		$ 97,593,776
Proposed Increase						10,596,615
Percentage Increase						12.18%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills / kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
RETAIL TRANSMISSION SERVICE Rate RTS						
Customer Charges	56		$ 120.00	$ 6,720	$ 500.00	$ 28,000
All Energy		448,436,560	$ 0.026160	11,731,100	$ 0.029360	13,166,097
Demand Base	923,067		$ 2.36	$ 2,178,438		
Demand Summer	331,383		$ 8.15	$ 2,700,771		
Demand Winter	584,639		$ 5.90	$ 3,449,370		
Demand Base	932,298				$ 2.61	2,433,297
Demand Intermediate	916,022				$ 3.05	2,793,867
Demand Peak	905,249				$ 4.55	4,118,881
		448,436,560				
Power Factor Correction Revenue-Interruptible				-		-
Minimum Energy				(76,599)		(86,042)
				19,989,801		22,454,100
Total Calculated at Base Rates				$ 19,989,801		$ 22,454,100
Correction Factor				1.000066440		1.000066440
Total After Application of Correction Factor				$ 19,988,473		$ 22,452,608
Fuel Clause Billings - proforma for rollin				$ 154,256		154,256
ECR Billings - proforma for rollin				69,923		69,923
Adjustment to Reflect Year-End Customers				-		-
Adjustment to Reflect Temperature Normalization				-		-
Total				$ 20,212,652		$ 22,676,787
Proposed Increase						2,464,135
Percentage Increase						12.19%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills / kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
SPECIAL CONTRACT						
Customer Charges	12		$ -	$ -	$ -	$ -
All Energy		221,595,000	$ 0.026190	5,803,573	$ 0.029440	6,523,757
Demand Summer	196,120		$ 12.63	$ 2,477,001	$ 14.04	2,753,530
Demand Winter	228,657		$ 10.44	$ 2,387,179	$ 11.85	2,709,585
		221,595,000				
Power Factor Correction				(324,519)		(364,647)
Minimum Energy				(74,401)		(83,601)
				10,268,833		11,538,625
Total Calculated at Base Rates				$ 10,268,833		$ 11,538,625
Correction Factor				0.999691406		0.999691406
Total After Application of Correction Factor				$ 10,272,003		$ 11,542,187
Fuel Clause Billings - proforma for rollin				$ 115,664		115,664
ECR Billings - proforma for rollin				33,944		33,944
Adjustment to Reflect Year-End Customers				-		-
Adjustment to Reflect Temperature Normalization				39,835		44,778
Total				$ 10,461,446		$ 11,736,574
Proposed Increase						1,275,127
Percentage Increase						12.19%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills / kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
SPECIAL CONTRACT						
Customer Charges	24		$ -	$ -	$ -	$ -
All Energy		58,159,200	$ 0.026180	1,522,608	$ 0.029410	1,710,462
Demand	115,286		$ 8.92	$ 1,028,351	$ 10.02	1,155,166
		58,159,200				
Power Factor Correction Revenue-Interruptible				-		-
Minimum Energy				16		18
				2,550,975		2,865,645
Total Calculated at Base Rates				$ 2,550,975		$ 2,865,645
Correction Factor				0.999054636		0.999054636
Total After Application of Correction Factor				$ 2,553,389		$ 2,868,357
Fuel Clause Billings - proforma for rollin				$ 24,197		24,197
ECR Billings - proforma for rollin				7,475		7,475
Adjustment to Reflect Year-End Customers				-		-
Adjustment to Reflect Temperature Normalization				-		-
Total				$ 2,585,060		$ 2,900,028
Proposed Increase						314,968
Percentage Increase						12.18%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Bills / kW	Total KWH	Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
LIGHTING ENERGY SERVICE RATE LE						
			-			
Customer Charges	1,329		$ -	$ -	$ -	$ -
All Energy		4,090,864	$ 0.048710	199,266	$ 0.054650	223,566
		4,090,864				
Power Factor Correction Revenue-Interruptible				-		-
Minimum Energy				(24,752)		(27,771)
				174,514		195,795
Total Calculated at Base Rates				$ 174,514		$ 195,795
Correction Factor				0.995418047		0.995418047
Total After Application of Correction Factor				$ 175,317		$ 196,696
TRAFFIC ENERGY SERVICE RATE TE						
			-			
Customer Charges	10,476		$ 2.80	$ 29,333	$ 3.14	$ 32,895
All Energy		3,960,610	$ 0.059030	233,795	$ 0.066230	262,311
		3,960,610				
Power Factor Correction Revenue-Interruptible				-		-
Minimum Energy				(25,187)		(28,257)
				237,941		266,948
Total Calculated at Base Rates				$ 237,941		$ 266,948
Correction Factor				0.989702358		0.989702358
Total After Application of Correction Factor				$ 240,416		$ 269,726

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Units		Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
RESTRICTED LIGHTING SERVICE RATE RLS						
OVERHEAD SERVICE:						
Mercury Vapor						
100W MERCURY OUTDOOR LIGHT	542		$ 7.17	$ 3,886	$ 7.17	$ 3,886
175W MERCURY OUTDOOR LIGHT	35,180		$ 8.25	$ 290,235	$ 8.25	$ 290,235
250W MERCURY OUTDOOR LIGHT	57,703		$ 9.57	$ 552,218	$ 9.57	$ 552,218
400W MERCURY OUTDOOR LIGHT	84,377		$ 11.64	$ 982,148	$ 11.64	$ 982,148
400W MERCURY OUTDOOR LIGHT Metal Pole	572		$ 16.15	$ 9,238	$ 16.15	$ 9,238
1000W MERCURY OUTDOOR LIGHT	-		$ 22.12	$ -	$ 22.12	$ -
1000W MERCURY FLOOD LIGHT	90		$ 22.12	$ 1,991	$ 22.12	$ 1,991
High Pressure Sodium						
100W HP SODIUM OUTDOOR LIGHT	206		$ 8.44	$ 1,739	$ 9.82	$ 2,023
150W HP SODIUM OUTDOOR LIGHT	24,727		$ 10.05	$ 248,506	$ 11.70	$ 289,306
150W HP SODIUM FLOOD LIGHT	140		$ 12.10	$ 1,694	$ 14.08	$ 1,971
250W HP SODIUM OUTDOOR LIGHT	29,048		$ 12.02	$ 349,157	$ 13.99	$ 406,382
400W HP SODIUM OUTDOOR LIGHT	46,377		$ 12.92	$ 599,191	$ 15.04	$ 697,510
400W HP SODIUM FLOOD LIGHT	6,238		$ 12.92	$ 80,595	$ 15.04	$ 93,820
UNDERGROUND SERVICE:						
Mercury Vapor						
100W MERCURY LIGHT TOP MOUNT	1,164		$ 11.17	$ 13,002	$ 11.17	$ 13,002
175W MERCURY LIGHT TOP MOUNT	12,443		$ 12.15	$ 151,182	$ 12.15	$ 151,182
175W UG MERCURY LIGHT METAL POLE	1,259		$ 16.18	$ 20,371	$ 16.18	$ 20,371
250W UG MERCURY OUTDOOR LIGHT	12,425		$ 17.54	$ 217,935	$ 17.54	$ 217,935
400W UG MERCURY OUTDOOR LIGHT	8,601		$ 20.85	$ 179,331	$ 20.85	$ 179,331
400W UG MERCURY LIGHT METAL POLE	4,576		$ 20.95	$ 95,867	$ 20.95	$ 95,867
High Pressure Sodium						
100W HP SODIUM LIGHT TOP MOUNT	22,886		$ 12.22	$ 279,667	$ 14.22	$ 325,439
150W UG HP SODIUM OUTDOOR LIGHT	2,376		$ 20.61	$ 48,969	$ 23.99	$ 57,000
250W UG HP SODIUM OUTDOOR LIGHT	6,589		$ 22.01	$ 145,024	$ 25.62	$ 168,810
250W HP SODIUM LIGHTMETAL POLE	2,412		$ 22.01	$ 53,088	$ 25.62	$ 61,795
400W UG HP SODIUM OUTDOOR LIGHT	7,536		$ 23.95	$ 180,487	$ 27.88	$ 210,104
400W HP SODIUM LIGHTMETAL POLE	2,219		$ 23.95	$ 53,145	$ 27.88	$ 61,866
rior to Jan. 1, 1991	369,686			$ 4,558,665.52		$ 4,893,428.55

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Units		Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
OVERHEAD SERVICE:						
Mercury Vapor						
175W MERCURY OUTDOOR LIGHT	9		$ 10.04	$ 90	$ 10.04	$ 90
250W MERCURY OUTDOOR LIGHT	741		$ 11.46	$ 8,492	$ 11.46	$ 8,492
400W MERCURY OUTDOOR LIGHT	152		$ 13.95	$ 2,120	$ 13.95	$ 2,120
400W MERCURY FLOOD LIGHT	43		$ 13.95	$ 600	$ 13.95	$ 600
1000W MERCURY FLOOD LIGHT	91		$ 25.83	$ 2,351	$ 25.83	$ 2,351
High Pressure Sodium						$ -
100W HP SODIUM OUTDOOR LIGHT	4,198		$ 8.44	$ 35,431	$ 9.82	$ 41,224
150W HP SODIUM OUTDOOR LIGHT	6,571		$ 10.05	$ 66,039	$ 11.70	$ 76,881
150W HP SODIUM FLOOD LIGHT	114		$ 10.05	$ 1,146	$ 11.70	$ 1,334
250W HP SODIUM OUTDOOR LIGHT	873		$ 12.02	$ 10,493	$ 13.99	$ 12,213
400W HP SODIUM OUTDOOR LIGHT	5,778		$ 12.92	$ 74,652	$ 15.04	$ 86,901
400W HP SODIUM FLOOD LIGHT	15,881		$ 12.92	$ 205,183	$ 15.04	$ 238,850
1000W HP SODIUM OUTDOOR LIGHT	21		$ 29.05	$ 610	$ 33.81	$ 710
UNDERGROUND SERVICE:						
Mercury Vapor						
100W MERCURY LIGHT TOP MOUNT	-		$ 13.86	$ -	$ 13.86	$ -
175W MERCURY LIGHT TOP MOUNT	429		$ 14.68	$ 6,298	$ 14.68	$ 6,298
175W UG MERCURY LIGHT METAL POLE	-		$ 23.12	$ -	$ 23.12	$ -
250W UG MERCURY OUTDOOR LIGHT	436		$ 24.05	$ 10,486	$ 24.05	$ 10,486
400W UG MERCURY OUTDOOR LIGHT	-		$ 27.09	$ -	$ 27.09	$ -
400W UG MERCURY OUTDOOR LIGHT	-		$ 27.09	$ -	$ 27.09	$ -
High Pressure Sodium						
70W HP SODIUM LIGHT TOP MOUNT	2,274		$ 11.72	$ 26,651	$ 13.64	$ 31,017
100W HP SODIUM LIGHT TOP MOUNT	59,437		$ 12.22	$ 726,320	$ 14.22	$ 845,194
150W UG HP SODIUM LIGHT TOP MOUNT	3,925		$ 17.75	$ 69,669	$ 20.66	$ 81,091
150W UG HP SODIUM OUTDOOR LIGHT	998		$ 20.61	$ 20,569	$ 23.99	$ 23,942
250W UG HP SODIUM OUTDOOR LIGHT	733		$ 22.01	$ 16,133	$ 25.62	$ 18,779
250W HP SODIUM LIGHTMETAL POLE	-		$ 22.01	$ -	$ 25.62	$ -
400W UG HP SODIUM OUTDOOR LIGHT	3,049		$ 23.95	$ 73,024	$ 27.88	$ 85,006
400W HP SODIUM LIGHTMETAL POLE	9		$ 23.95	$ 216	$ 27.88	$ 251
1000W UG HP SODIUM OUTDOOR LIGHT	19		$ 55.30	$ 1,051	$ 64.37	$ 1,223
DECORATIVE LIGHTING FIXTURES:						
Acorn w/ Decorative Baskets						
70W HP SODIUM ACORN/DECO BASKET	123		$ 15.79	$ 1,942	$ 18.38	$ 2,261
100W HP SODIUM ACORN/DECO BASKET	1,421		$ 16.56	$ 23,532	$ 19.28	$ 27,397
8-Sided Coach						
70W HP SODIUM 8-SIDED COACH	415		$ 15.98	$ 6,632	$ 18.60	$ 7,719
100W HP SODIUM 8-SIDED COACH	88		$ 17.09	$ 1,504	$ 19.89	$ 1,750
Other Restricted Lighting	-					
400 W MERCURY VAPOR UP	73		$ 16.11	$ 1,176	$ 16.11	$ 1,176
250 W US HP SODIUM STATE OF KY POLE	562		$ 22.05	$ 12,390	$ 22.05	$ 12,390
400 W UG MV STATE OF KY POLE	22		$ 20.95	$ 461	$ 20.95	$ 461
300 W 6000 LUMEN INCANDESCENT	154		$ 11.89	$ 1,831	$ 11.89	$ 1,831
100 W 1500 LUMEN INCANDESCENT	203		$ 8.35	$ 1,696	$ 8.35	$ 1,696
Total Installed After Dec. 31, 1990	108,842			1,408,784		1,631,734
Total Public Street Linghting Restricted	478,528			$ 5,967,449.97		$ 6,525,162.20

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Units		Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
OVERHEAD SERVICE:						
Mercury Vapor						
100W MERCURY OUTDOOR LIGHT	546		$ 7.89	$ 4,308	$ 7.89	$ 4,308
175W MERCURY OUTDOOR LIGHT	33,873		$ 8.82	$ 298,760	$ 8.82	$ 298,760
250W MERCURY OUTDOOR LIGHT	16,080		$ 10.18	$ 163,694	$ 10.18	$ 163,694
400W MERCURY OUTDOOR LIGHT	10,481		$ 12.54	$ 131,432	$ 12.54	$ 131,432
400W MERCURY FLOOD LIGHT	6,545		$ 12.54	$ 82,074	$ 12.54	$ 82,074
1000W MERCURY OUTDOOR LIGHT	669		$ 23.44	$ 15,681	$ 23.44	$ 15,681
1000W MERCURY FLOOD LIGHT	2,941		$ 23.44	$ 68,937	$ 23.44	$ 68,937
High Pressure Sodium				$ -		
100W HP SODIUM OUTDOOR LIGHT	2,412		$ 8.71	$ 21,009	$ 10.14	$ 24,458
150W HP SODIUM OUTDOOR LIGHT	6,147		$ 11.02	$ 67,740	$ 12.83	$ 78,866
150W HP SODIUM FLOOD LIGHT	1,016		$ 11.02	$ 11,196	$ 12.83	$ 13,035
250W HP SODIUM OUTDOOR LIGHT	4,611		$ 13.00	$ 59,943	$ 15.13	$ 69,764
400W HP SODIUM OUTDOOR LIGHT	9,732		$ 14.13	$ 137,513	$ 16.45	$ 160,091
400W HP SODIUM FLOOD LIGHT	36,118		$ 14.13	$ 510,347	$ 16.45	$ 594,141
UNDERGROUND SERVICE:				$ -		
Mercury Vapor				$ -		
100W MERCURY LIGHT TOP MOUNT	323		$ 13.13	$ 4,241	$ 13.13	$ 4,241
175W MERCURY LIGHT TOP MOUNT	5,601		$ 13.91	$ 77,910	$ 13.91	$ 77,910
High Pressure Sodium						
70W HP SODIUM LIGHT TOP MOUNT	-		$ 11.65	$ -	$ 13.56	$ -
100W HP SODIUM LIGHT TOP MOUNT	14,459		$ 15.31	$ 221,367	$ 17.82	$ 257,659
150W HP SODIUM OUTDOOR LIGHT	-		$ 20.63	$ -	$ 24.01	$ -
250W UG HP SODIUM OUTDOOR LIGHT	276		$ 23.72	$ 6,547	$ 27.61	$ 7,620
400W UG HP SODIUM OUTDOOR LIGHT	506		$ 26.44	$ 13,379	$ 30.78	$ 15,575
Total Installed Prior to Jan. 1, 1991	152,336			$ 1,896,078		$ 2,068,248

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2) Units	(3)	(4) Present Rates	(5) Calculated Revenue at Present Rates	(6) Proposed Rates	(7) Calculated Revenue at Proposed Rates
RESTRICTED LIGHTING SERVICE RATE RLS						
OVERHEAD SERVICE:						
Mercury Vapor						
175W MERCURY OUTDOOR LIGHT	1,138		$ 10.22	$ 11,630	$ 10.22	$ 11,630
250W MERCURY	671		$ 11.65	$ 7,817	$ 11.65	$ 7,817
400W MERCURY	508		$ 14.15	$ 7,188	$ 14.15	$ 7,188
400W MERCURY FLOOD LIGHT	2,055		$ 14.15	$ 29,078	$ 14.15	$ 29,078
1000W MERCURY OUTDOOR LIGHT	196		$ 26.08	$ 5,112	$ 26.08	$ 5,112
1000W MERCURY FLOOD LIGHT	3,934		$ 26.21	$ 103,110	$ 26.21	$ 103,110
High Pressure Sodium						
100W HP SODIUM	21,576		$ 8.71	$ 187,927	$ 10.14	$ 218,781
150W HP SODIUM OUTDOOR LIGHT	15,387		$ 11.02	$ 169,565	$ 12.83	$ 197,415
150W HP SODIUM FLOOD LIGHT	2,675		$ 11.02	$ 29,479	$ 12.83	$ 34,320
250W HP SODIUM OUTDOOR LIGHT	4,556		$ 13.00	$ 59,228	$ 15.13	$ 68,932
400W HP SODIUM OUTDOOR LIGHT	19,433		$ 14.13	$ 274,588	$ 16.45	$ 319,673
400W HP SODIUM FLOOD LIGHT	86,568		$ 14.13	$ 1,223,206	$ 16.45	$ 1,424,044
1000W HP SODIUM OUTDOOR LIGHT	151		$ 32.96	$ 4,977	$ 38.37	$ 5,794
UNDERGROUND SERVICE:						
Mercury Vapor						
100W MERCURY LIGHT TOP MOUNT	-		$ 13.12	$ -	$ 13.12	$ -
175W MERCURY LIGHT TOP MOUNT	2,534		$ 14.88	$ 37,706	$ 14.88	$ 37,706
High Pressure Sodium	-		$ -			
70W HP SODIUM LIGHT TOP MOUNT	14,301		$ 11.65	$ 166,607	$ 13.56	$ 193,922
100W HP SODIUM LIGHT TOP MOUNT	110,948		$ 15.47	$ 1,716,366	$ 18.01	$ 1,998,173
150W UG HP SODIUM LIGHT TOP MOUNT	10,830		$ 18.48	$ 200,138	$ 21.51	$ 232,953
150W HP SODIUM OUTDOOR LIGHT	4,830		$ 20.63	$ 99,643	$ 24.01	$ 115,968
250W UG HP SODIUM OUTDOOR LIGHT	5,958		$ 23.72	$ 141,324	$ 27.61	$ 164,500
400W UG HP SODIUM OUTDOOR LIGHT	17,811		$ 26.44	$ 470,923	$ 30.78	$ 548,223
1000W UG HP SODIUM OUTDOOR LIGHT	280		$ 59.20	$ 16,576	$ 68.91	$ 19,295
DECORATIVE LIGHTING FIXTURES:						
Acorn w/ Decorative Baskets						
70W HP SODIUM ACORN/DECO BASKET	420		$ 16.19	$ 6,800	$ 18.85	$ 7,917
100W HP SODIUM ACORN/DECO BASKET	1,583		$ 17.06	$ 27,006	$ 19.86	$ 31,438
8-Sided Coach						
70W HP SODIUM 8-SIDED COACH	852		$ 16.35	$ 13,930	$ 19.03	$ 16,214
100W HP SODIUM 8-SIDED COACH	889		$ 17.24	$ 15,326	$ 20.07	$ 17,842
Additional Poles	90,647		$ 1.75	$ 158,632	$ 2.04	$ 184,920
Poles						$ -
10' Smooth	2,464		$ 9.20	$ 22,669	$ 10.71	$ 26,389
10' Fluted	2,915		$ 10.98	$ 32,007	$ 12.78	$ 37,254
Bases						
Old Town/Manchester	1,120		$ 2.95	$ 3,304	$ 3.43	$ 3,842
Chesapeake/Franklin	1,651		$ 3.17	$ 5,234	$ 3.69	$ 6,092
Jefferson/Westchester	2,118		$ 3.19	$ 6,756	$ 3.71	$ 7,858
Norfolk/Essex	1,256		$ 3.36	$ 4,220	$ 3.91	$ 4,911
Total Installed After Dec. 31, 1990				5,258,071		6,088,312
Total Outdoor Lighintg Rate RLS				7,154,150		8,156,559
Billings for partial month installations				61,115		61,115
Total Restricted Lighting Service						
Total Calculated at Base Rates				13,182,715		14,742,837
Correction Factor				1.000367016		1.000367016
Total After Application of Correction Factor				$ 13,177,878		$ 14,737,428

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Units		Present Rates	Calculated Revenue at Present Rates	Proposed Rates	Calculated Revenue at Proposed Rates
LIGHTING SERVICE RATE LS						
Served Underground						
High Pressure Sodium						
4 SIDED COLONIAL 6300L	1,199		$ 16.38	$ 19,640	$ 19.07	$ 22,865
4 SIDED COLONIAL 9500L	13,276		$ 16.88	$ 224,099	$ 19.65	$ 260,873
4 SIDED COLONIAL 16000L	1,659		$ 17.84	$ 29,597	$ 20.77	$ 34,457
ACORN 6300L	395		$ 16.71	$ 6,600	$ 19.45	$ 7,683
ACORN 9500L	12,959		$ 18.65	$ 241,685	$ 21.71	$ 281,340
ACORN 9500L BRONZE POLE	399		$ 19.60	$ 7,820	$ 22.81	$ 9,101
ACORN 16000L	1,190		$ 19.52	$ 23,229	$ 22.72	$ 27,037
ACORN 16000L BRONZE POLE	669		$ 20.41	$ 13,654	$ 23.76	$ 15,895
CONTEMPORARY 16000L	399		$ 24.88	$ 9,927	$ 28.96	$ 11,555
CONTEMPORARY 28500L	1,661		$ 27.66	$ 45,943	$ 32.20	$ 53,484
CONTEMPORARY 50000L	3,192		$ 31.49	$ 100,516	$ 36.65	$ 116,987
CONTEMPORARY 16000L Fixture Only					$ 15.26	
CONTEMPORARY 28500L Fixture Only					$ 17.31	
CONTEMPORARY 50000L Fixture Only					$ 20.21	
COBRA HEAD 16000L UGHPS	125		$ 21.86	$ 2,733	$ 25.45	$ 3,181
COBRA HEAD 28500L UGHPS	11		$ 23.91	$ 263	$ 27.83	$ 306
COBRA HEAD 50000L UGHPS	178		$ 27.78	$ 4,945	$ 32.34	$ 5,757
LONDON (10' SMOOTH POLE) 6300L	232		$ 27.81	$ 6,452	$ 32.37	$ 7,510
LONDON (10' FLUTED POLE) 6300L	152		$ 29.49	$ 4,482	$ 34.33	$ 5,218
LONDON (10' SMOOTH POLE) 9500L	691		$ 28.46	$ 19,666	$ 33.13	$ 22,893
LONDON (10' FLUTED POLE) 9500L	1,647		$ 30.15	$ 49,657	$ 35.09	$ 57,793
VICTORIAN (10' SMOOTH POLE) 6300L	28		$ 26.99	$ 756	$ 31.42	$ 880
VICTORIAN (10' FLUTED POLE) 6300L	163		$ 27.56	$ 4,492	$ 32.08	$ 5,229
VICTORIAN (10' SMOOTH POLE) 9500L	82		$ 28.67	$ 2,351	$ 33.37	$ 2,736
VICTORIAN (10' FLUTED POLE) 9500L	1,038		$ 29.23	$ 30,341	$ 34.02	$ 35,313
Mercury Vapor				$ -		
4 SIDED COLONIAL 4000L UGMV	11		$ 16.35	$ 180	$ 16.35	$ 180
4 SIDED COLONIAL 8000L UGMV	397		$ 17.92	$ 7,114	$ 17.92	$ 7,114
COBRA HEAD 8000L UGMV	-		$ 21.89	$ -	$ 21.89	$ -
COBRA HEAD 13000L UGMV	11		$ 23.31	$ 256	$ 23.31	$ 256
COBRA HEAD 25000L UGMV	83		$ 26.69	$ 2,215	$ 26.69	$ 2,215
Bases	-			$ -		$ -
Old Town/Manchester	-		$ 2.49	$ -	$ 2.90	$ -
Chesapeake/Franklin	435		$ 2.49	$ 1,083	$ 2.90	$ 1,262
Jefferson/Westchester	179		$ 2.49	$ 446	$ 2.90	$ 519
Norfolk/Essex	42		$ 2.64	$ 111	$ 3.07	$ 129
Served Overhead				$ -		
High Pressure Sodium				$ -		
COBRA HEAD 16000L OHHP	4,459		$ 10.13	$ 45,170	$ 11.79	$ 52,572
COBRA HEAD 28500L OHHP	3,602		$ 12.19	$ 43,908	$ 14.19	$ 51,112
COBRA HEAD 50000L OHHP	3,152		$ 16.06	$ 50,621	$ 18.69	$ 58,911
DIRECTIONAL FLOOD 16000L OHHP	905		$ 11.55	$ 10,453	$ 13.44	$ 12,163
DIRECTIONAL FLOOD 50000L OHHP	15,521		$ 16.91	$ 262,460	$ 19.68	$ 305,453
OPEN BOTTOM 9500L OHHP	5,254		$ 8.99	$ 47,233	$ 10.46	$ 54,957
Mercury Vapor				$ -		$ -
COBRA HEAD 8000L MV	58		$ 10.16	$ 589	$ 10.16	$ 589
COBRA HEAD 13000L MV	170		$ 11.59	$ 1,970	$ 11.59	$ 1,970
COBRA HEAD 25000L MV	508		$ 14.96	$ 7,600	$ 14.96	$ 7,600
DIRECTIONAL FLOOD 25000L MV	2,029		$ 16.31	$ 33,093	$ 16.31	$ 33,093
OPEN BOTTOM 8000L MV	204		$ 9.90	$ 2,020	$ 9.90	$ 2,020

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations of proposed Rate Increase
Based on Sales for the 12 moths ended October 31, 2009

Metal Halide			$ -		
Directional Fixture Only, 12,000 Lumen		$ 10.39		$ 12.09	
Directional Fixture with Wood Pole, 12,000 Lumen		$ 12.33		$ 14.35	
Directional Fixture with Direct Burial Metal Pole, 12,000 Lumen		$ 18.68		$ 21.74	
Directional Fixture Only, 32,000 Lumen	1	$ 14.93	$ 15	$ 17.38	$ 17
Directional Fixture with Wood Pole, 32,000 Lumen		$ 16.88		$ 19.65	
Directional Fixture with Direct Burial Metal Pole, 32,000 Lumen		$ 23.23		$ 27.04	
Directional Fixture Only, 107,800 Lumen		$ 30.90		$ 35.97	
Directional Fixture with Wood Pole, 107,800 Lumen		$ 33.61		$ 39.12	
Directional Fixture with Direct Burial Metal Pole, 107,800 Lumen		$ 39.19		$ 45.62	
Contemporary Fixture Only, 12,000 Lumen		$ 11.47		$ 13.35	
Contemporary Fixture with Direct Burial Metal Pole, 12,000 Lumen		$ 19.78		$ 23.02	
Contemprorary Fixture Only, 32,000 Lumen		$ 16.45		$ 19.15	
Contemporary with Metal Pole, 32,000 Lumen		$ 24.75		$ 28.81	
Contemprorary Fixture Only, 107,800 Lumen		$ 33.42		$ 38.90	
Contemporary with Metal Pole, 107,800 Lumen		$ 41.72		$ 48.56	
Poles	2,367	$ 9.62	$ 22,771	$ 11.20	$ 26,510
Total Rate LS — **Total Calculated at Base Rates**			$ 1,388,156		$ 1,606,737
Correction Factor			1.000539543		1.000539543
Total After Application of Correction Factor			$ 1,387,408		$ 1,605,870
TOTAL LIGHTING AFTER APPLICATION OF CORRECTION FACTOR			14,981,019		16,809,720
Fuel Clause Billings - proforma for rollin			$ 9,262		9,262
ECR Billings - proforma for rollin			13,407		13,407
Adjustment to Reflect Year-End Customers			155,999		175,041
Adjustment to Reflect Temperature Normalization			-		-
Total Lighting			$ 15,159,687		$ 17,007,430
Proposed Increase					1,847,743
Percentage Increase					12.19%

Seelye Exhibit 8

Reconstruction of Gas Billing Determinants

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation to Reconstruct Test Period Billings Determinants
Based on Sales for the 12 months ended October 31, 2009

	(1)	(2)	(3)	(4)	(6)	(7)
	Booked Revenue Adjusted to as Billed Basis	Less: Gas Supply Cost (GSC) Billings	Net Revenue excluding GSC Billings	Less: Demand-Side Mgmt. (DSM) Billings	Less: WNA Billings	**Net Revenue** @ Base Rates
GAS SALES AND TRANSPORTATION						
Residential Gas Service Rate RGS	$ 274,923,042	$ 204,062,442	$ 70,860,599	$ 2,242,152		
Total Residential Gas Service Rate RGS	274,923,042	204,062,442	70,860,599	2,242,152	52,633	68,565,814
Firm Commercial Gas Service Rate CGS	127,247,593	102,813,882	24,433,710	105,755		
Gas Transportation Service/Standby Rider to Rat	42,124	15,773	26,351	166		
Total Firm Commercial Gas Service Rate C	127,289,717	102,829,655	24,460,062	105,921	(20,525)	24,374,666
Firm Industrial Gas Service Rate IGS	10,396,949	8,836,681	1,560,267	-		
Gas Transportation Service/Standby Rider to Rat	135,497	58,390	77,107	-		
Total Firm Industrial Gas Service Rate IGS	10,532,446	8,895,071	1,637,375	-		1,637,375
As Available Gas Service	2,876,103	2,681,995	194,108	913		
Total Rate AAGS	2,876,103	2,681,995	194,108	913		193,195
FT - Cashouts	249,109	249,109	-			-
Firm Transportation Service Rate FT	3,772,566	191,250	3,581,316	7,142		3,574,174
Total Rate FT	4,021,674	440,358	3,581,316	7,142		3,574,174
Pooling Service Rate PS-FT	60,000		60,000			60,000
Intra-Company Special Contract - Sales Custome	6,513,290	3,466,383	3,046,907			3,046,907
Intra-Company Special Contract - FT Customer	1,282,267	19,895	1,262,372			1,262,372
Total Intra-Company	7,795,557	3,486,278	4,309,279	-		4,309,279
Fort Knox Special Contract	294,437	34,668	259,769			259,769
duPont Special Contract	210,171	32,424	177,746			177,746
Ford LAP Special Contracts	883,477		883,477			883,477
Special Contracts	1,388,084	67,093	1,320,992			1,320,992
Total Ultimate Consumers	428,886,623	322,462,892	106,423,731	2,356,128	32,108	104,035,496
Off-System Sales	-	-	-			-
Grand Total	428,886,623	322,462,892	106,423,731	2,356,128	32,108	104,035,496

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation to Reconstruct Test Period Billings Determinants
Based on Sales for the 12 months ended October 31, 2009

	(1)	(2)	(3)	(4)	(5)	(6)
	Net Revenue Page 1, Col. 7	**Calculated Net Revenue** Pages 3 thru 9	**Column 2 divided by Column 1**	**Mcf** Billed	Less: **Mcf** Cashouts and Off-system sales	**Mcf** Billed at Base Rates
GAS SALES AND TRANSPORTATION						
Residential Gas Service Rate RGS						-
Total Residential Gas Service Rate RGS	68,565,814	68,556,527	0.999865	20,292,001.6		20,292,001.6
Firm Commercial Gas Service Rate CGS				10,412,756.2		10,412,756.2
Gas Transportation Service/Standby Rider to Ra				15,691.0		15,691.0
Total Firm Commercial Gas Service Rate C	24,374,666	24,156,543	0.991051	10,428,447.2		10,428,447.2
Firm Industrial Gas Service Rate IGS				937,873.5		937,873.5
Gas Transportation Service/Standby Rider to Ra				57,640.3		57,640.3
Total Firm Industrial Gas Service Rate IGS	1,637,375	1,639,314	1.001184	995,513.8		995,513.8
As Available Gas Service				291,982.5		291,982.5
Total Rate AAGS	193,195	196,091	1.014987	291,982.5		291,982.5
FT - Cashouts	-			28,822.4	28,822.4	-
Firm Transportation Service Rate FT	3,574,174	3,570,488	0.998969	7,590,002.2		7,590,002.2
Total Rate FT	3,574,174	3,570,488	0.998969	7,618,824.6	28,822.4	7,590,002.2
Pooling Service Rate PS-FT	60,000	60,000	1.000000			
Intra-Company Special Contract - Sales Custome	3,046,907	3,053,936	1.002307	437,214.3		437,214.3
Intra-Company Special Contract - FT Customer	1,262,372	1,271,459	1.007198	13,677.0		13,677.0
Total Intra-Company	4,309,279	4,325,395	1.003740	450,891.3	-	450,891.3
Fort Knox Special Contract	259,769	259,794	1.000096	273,216.7		273,216.7
duPont Special Contract	177,746	177,771	1.000140	194,151.4		194,151.4
Ford LAP Special Contracts	883,477	883,527	1.000057	883,476.7		883,476.7
Special Contracts	1,320,992	1,321,092	1.000076	1,350,845		1,350,844.9
Total Ultimate Consumers	104,035,496	103,825,449	0.997981	41,428,506	28,822	41,399,683.5
Off-System Sales	-	-	-	-	-	-
Grand Total	104,035,496	103,825,449		41,428,505.9	28,822.4	41,399,683.5

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 2009

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	"As Billed Rates" During 12 Month Period: Unit Charges	Calculated Revenue
RATE RGS:					
Residential Gas Service Rate RGS					
Customers for the 12-Month Period					
Customers Nov08-Jan09:	1,038,361			$ 8.50	$ 8,826,069
Customers Feb09-Oct09:	2,445,080			$ 9.50	$ 23,228,260
Distribution Cost Component					
MCF Nov08-Jan09 Rates:		11,597,570.0		$ 1.54700	$ 17,941,441
MCF Feb09-Oct09 Rates:		8,693,970.4		$ 2.13490	$ 18,560,757
Total Rate RGS		**20,291,540.4**			**$ 68,556,527**

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 2009

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period Unit Charges	Calculated Revenue
RATE CGS:					
Firm Commercial Gas Service Rate CGS					
Customers for the 12-Month Period					
Meters < 5000 cfh					
Customers Nov08-Jan09:	103,433.00			$ 16.50	$ 1,706,645
Customers Feb09-Oct09:	190,838.00			$ 23.00	$ 4,389,274
Meters 5000 cfh or >					
Customers Nov08-Jan09:	4,158.00			$ 117.00	$ 486,486
Customers Feb09-Oct09:	8,886.00			$ 160.00	$ 1,421,760
Distribution Cost Component					
MCF Nov08-Jan09 Rates:		5,214,546.2		$ 1.49680	$ 7,805,133
MCF Feb09-Oct09 Rates:		4,112,092.1		$ 1.70520	$ 7,011,939
MCF Nov08-Jan09 Rates:			-	$ 0.99680	$ -
MCF Feb09-Oct09 Rates:			1,086,117.9	$ 1.20520	$ 1,308,989
Gas Transportation Service/Standby Rider to Rate CGS					
Administrative Charge-No. Customers					
MCF Nov08-Jan09 Rates:	7			$ 90.00	$ 630
MCF Feb09-Oct09 Rates:	14			$ 153.00	$ 2,142
Distribution Cost Component					
MCF Nov08-Jan09 Rates:		8,153.0		$ 1.49868	$ 12,219
MCF Feb09-Oct09 Rates:		4,483.7		$ 1.70520	$ 7,646
MCF Nov08-Jan09 Rates:			-	$ 0.99680	$ -
MCF Feb09-Oct09 Rates:			3,054.3	$ 1.20520	$ 3,681
Total Rate CGS		9,339,275.0	1,089,172.2		$ 24,156,543

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 2009

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period: Unit Charges	During 12 Month Period: Calculated Revenue
RATE IGS:					
Firm Industrial Gas Service Rate IGS					
Customers for the 12-Month Period					
Meters < 5000 cfh					
Customers Nov08-Jan09:	444			$ 16.50	$ 7,326
Customers Feb09-Oct09:	926			$ 23.00	$ 21,298
Meters 5000 cfh or >					
Customers Nov08-Jan09:	412			$ 117.00	$ 48,204
Customers Feb09-Oct09:	832			$ 160.00	$ 133,120
Distribution Cost Component					
MCF Nov08-Jan09 Rates:		357,194.5		$ 1.49680	$ 534,649
MCF Feb09-Oct09 Rates:		295,215.8		$ 1.65240	$ 487,815
MCF Nov08-Jan09 Rates:			0.0	$ 0.99680	$ -
MCF Feb09-Oct09 Rates:			285,463.2	$ 1.15240	$ 328,968
			0.0	$ 1,561,379	
Gas Transportation Service/Standby Rider to Rate IGS					
Administrative Charges for the 12-Month Period					
MCF Nov08-Jan09 Rates:	8			$ 90.00	$ 720
MCF Feb09-Oct09 Rates:	24			$ 153.00	$ 3,672
Distribution Cost Component					
MCF Nov08-Jan09 Rates:		9,543.9		$ 1.49868	$ 14,303
MCF Feb09-Oct09 Rates:		7,626.2		$ 1.65240	$ 12,602
MCF Nov08-Jan09 Rates:			0.0	$ 0.99680	$ -
MCF Feb09-Oct09 Rates:			40,470.2	$ 1.15240	$ 46,638
Total Rate IGS		669,580.4	325,933.4		$ 1,639,314

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 2009

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period: Unit Charges	During 12 Month Period: Calculated Revenue
RATE AAGS:					
As Available Gas Service Rate AAGS					
Customers for the 12-Month Period					
Customers Nov08-Jan09:	50			$ 150.00	$ 7,450
Customers Feb09-Oct09:	128			$ 275.00	$ 35,291
Distribution Cost Component		291,982.5		$ 0.52520	$ 153,349
Total Rate AAGS		**291,982.5**			**$ 196,091**

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 2009

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period Unit Charges	Calculated Revenue
RATE FT:					
Firm Transportation Service (Non-Standby) Rate FT					
Administrative Charges for the 12-Month Period					
MCF Nov08-Jan09 Rates:	220			$ 90.00	$ 19,800
MCF Feb09-Oct09 Rates:	621			$ 230.00	$ 142,830
Distribution Cost Component		7,590,002.2		$ 0.43000	$ 3,263,701
Utilization Charge for Daily Imbalances:					
Daily Storage Charge					
MCF Nov08-Jan09 Rates:		375,391.3		$ 0.1200	$ 45,047
MCF Feb09-Oct09 Rates:		540,697.4		$ 0.1833	$ 99,110
Total Rate FT					**$ 3,570,488**
RATE PS-FT:					
Pooling Service Rate PS - FT					
Administrative Charges	800			$ 75.00	$ 60,000
Total Rate PS-FT		**7,590,002.2**			**$ 60,000**

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 2009

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period Unit Charges	During 12 Month Period Calculated Revenue
INTRA-COMPANY SPECIAL CONTRACTS					
Intra-Company Special Contract - Sales Customers					
Customers for the 12-Month Period					
Customers Nov08-Jan09:	6			$ 68.00	$ 408
Customers Feb09-Oct09:	18			$ 160.00	$ 2,880
Distribution Cost Component		437,214.3		$ 0.2253	$ 98,504
Demand Charge		3,556,800		$ 0.83	$ 2,952,144
					$ 3,053,936
Intra-Company Special Contract - Rate FT Customer					
Customers for the 12-Month Period					
Customers Nov08-Jan09:	3			$ 686.00	$ 2,058
Customers Feb09-Oct09:	9			$ 781.00	$ 7,029
Distribution Cost Component		13,677.0		$ 0.04870	$ 666
Demand Charge		518,400.0		$ 2.43	$ 1,259,712
Sales Gas		1,195.6		$ -	$ -
Utilization Charge for Daily Imbalances:					
Daily Storage Charge					
MCF Nov08-Jan09 Rates:		326.5		$ 0.1200	$ 39
MCF Feb09-Oct09 Rates:		10,662.6		$ 0.1833	$ 1,954
					$ 1,271,459
Total Intra-Company Special Contracts					**$ 4,325,395**

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 2009

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period Unit Charges	Calculated Revenue
SPECIAL CONTRACTS					
Special Contract					
Transportation Service					
Admin Charge Nov08-Jan09:	3			$ 90.00	$ 270
Admin Charge Feb09-Oct09:	9			$ 230.00	$ 2,070
Distribution Cost Component		591,360.0		$ 0.0487	$ 28,799
Demand Charge		90,000.0		$ 2.43	$ 218,700
Sales Gas		2,469.0		$ -	$ -
Utilization Charge for Daily Imbalances:					
Daily Storage Charge					
MCF Nov08-Jan09 Rates:		38,077.8		$ 0.1200	$ 4,569
MCF Feb09-Oct09 Rates:		29,379.1		$ 0.1833	$ 5,385
					$ 259,794
Special Contract					
Transportation Service					
Admin Charge Nov08-Jan09:	3			$ 90.00	$ 270
Admin Charge Feb09-Oct09:	9			$ 230.00	$ 2,070
Distribution Cost Component		512,570.3		$ 0.1049	$ 53,769
Demand Charge		39,201.6		$2.75	$ 107,804
Sales Gas		3,343.5		$ -	$ -
Utilization Charge for Daily Imbalances:					
Daily Storage Charge					
MCF Nov08-Jan09 Rates:		12,852.9		$ 0.1200	$ 1,542
MCF Feb09-Oct09 Rates:		67,189.9		$ 0.1833	$ 12,316
					$ 177,771
Special Contracts					
Transportation Service					
Admin Charge Nov08-Jan09:	6			$ 90.00	$ 540
Admin Charge Feb09-Oct09:	18			$ 230.00	$ 4,140
Distribution Cost Component		1,710,388.1		$ 0.3200	$ 547,324
Annual Minimum Revenue Requirement					$ 331,523
					$ 883,527
Total Special Contracts					**$ 1,321,092**

Seelye Exhibit 9

Summary of
Gas Revenue Increase

Louisville Gas and Electric Company
Summary of Proposed Rate Increase
Based on Billing Determinants for the 12 Months Ended October 31, 2009

Rate Class	Base Rate Revenue	Temperature Normalization Adjustment	Year-End Adjustment	Rate Switching Adjustment	Base Rate Revenue As Adjusted	GSC Revenue as Adjusted	Total Current Revenue	Increase	Percentage Change
Residential Gas Service - Rate RGS	$ 76,423,451	$ (137,576)	$ 259,367		$ 76,545,242	$ 108,612,983	$ 185,158,225	$ 16,197,217	8.75%
Commercial Gas Service - Rate CGS	26,332,128	(36,646)	1,404,610		27,700,091	58,811,636	86,511,727	5,362,492	6.20%
Industrial Gas Service - Rate IGS	1,715,435	(18,867)	96,963	(34,975)	1,758,556	5,185,788	6,944,344	363,149	5.23%
As-Available Gas Service - Rate AAGS	199,312	(1,740)	-		197,572	1,544,204	1,741,776		
Total Firm Transportation Service (Non-Standby) Rate FT	3,628,793	(13,063)	-	748,206	4,363,936	171,858	4,535,795		
Total Rate PS-FT	60,000				60,000		60,000		
Special Contract - Intra-Company Sales	3,054,488				3,054,488	2,338,834	5,393,323	665,390	12.34%
Special Contract - Intra-Company Transportation	4,326,253				4,326,253		4,326,253		
Special Contract	262,624				262,624		262,624		
Special Contract	179,005				179,005		179,005		
Total Sales to Ultimate Consumers and Inter-Company	$ 116,181,488	$ (207,892)	$ 1,760,940	$ 713,231	$ 118,447,767	$ 176,665,303	$ 295,113,070	$ 22,588,249	7.65%

Seelye Exhibit 10

Gas Revenue Increase by Rate Schedule

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 209

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	"As Billed Rates" During 12 Month Period Unit Charges	Calculated Revenue	P.S.C. Gas No. 7 for Full Year Unit Charges	Calculated Revenue	Proposed Rates Unit Charges	Calculated Revenue
RATE RGS:									
Residential Gas Service Rate RGS									
Customers for the 12-Month Period									
Customers Nov08-Jan09:	1,038,361			$ 8.50	$ 8,826,069	$ 9.50	$ 9,864,430	$ 26.53	$ 27,547,717
Customers Feb09-Oct09:	2,445,080			$ 9.50	$ 23,228,260	$ 9.50	$ 23,228,260	$ 26.53	64,867,972
Distribution Cost Component									
MCF Nov08-Jan09 Rates:		11,597,570.0		$ 1.54700	$ 17,941,441	$ 2.13490	$ 24,759,652		-
MCF Feb09-Oct09 Rates:		8,693,970.4		$ 2.13490	$ 18,560,757	$ 2.13490	$ 18,560,757		-
Subtotal		**20,291,540.4**			**$ 68,556,527**		**$ 76,413,099**		**$ 92,415,690**
Correction Factor				0.999865		0.999865		0.999865	
Subtotal Rate RGS after application of Correction Factor					**68,565,814**		**76,423,451**		**92,428,209**
Temperature Normalization		(64,441.3)		$ 2.13490	$ (137,576)	$ 2.13490	$ (137,576)	$ -	$ -
Adjustment to Reflect Year-End Customers		76,670.0			259,367		259,367		314,250
GSC at Current (Feb 2010 to Apr 2010) Charges GSC		20,303,769.1		5.3494	$ 108,612,983	5.3494	$ 108,612,983	5.3494	$ 108,612,983
Total Residential Gas Service Rate RGS		20,303,769.1			177,300,588		185,158,225		201,355,442
Proposed Increase in Revenue									16,197,217
									8.75%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 209

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period: Unit Charges	During 12 Month Period: Calculated Revenue	P.S.C. Gas No. 7 for Full Year: Unit Charges	P.S.C. Gas No. 7 for Full Year: Calculated Revenue	Proposed Rates: Unit Charges	Proposed Rates: Calculated Revenue
RATE CGS:									
Firm Commercial Gas Service Rate CGS									
Customers for the 12-Month Period									
Meters < 5000 cfh									
Customers Nov08-Jan09:	103,433			$ 16.50	$ 1,706,645	$ 23.00	$ 2,378,959	$ 30.00	$ 3,102,990
Customers Feb09-Oct09:	190,838			$ 23.00	$ 4,389,274	$ 23.00	$ 4,389,274	$ 30.00	$ 5,725,140
Meters 5000 cfh or >									
Customers Nov08-Jan09:	4,158			$ 117.00	$ 486,486	$ 160.00	$ 665,280	$ 170.00	$ 706,860
Customers Feb09-Oct09:	8,886			$ 160.00	$ 1,421,760	$ 160.00	$ 1,421,760	$ 170.00	$ 1,510,620
Distribution Cost Component									
MCF Nov08-Jan09 Rates:		5,214,546.2		$ 1.49680	$ 7,805,133	$ 1.70520	$ 8,891,844	$ 1.9795	$ 10,322,194
MCF Feb09-Oct09 Rates:		4,112,092.1		$ 1.70520	$ 7,011,939	$ 1.70520	$ 7,011,939	$ 1.9795	$ 8,139,886
MCF Nov08-Jan09 Rates:			-	$ 0.99680	$ -	$ 1.20520	$ -	$ 1.4795	
MCF Feb09-Oct09 Rates:			1,086,117.9	$ 1.20520	$ 1,308,989	$ 1.20520	$ 1,308,989	$ 1.4795	$ 1,606,911
Gas Transportation Service/Standby Rider to Rate CGS									
Administrative Charge-No. Customers									
MCF Nov08-Jan09 Rates:	7			$ 90.00	$ 630	$ 153.00	$ 1,071	$ 153.00	$ 1,071
MCF Feb09-Oct09 Rates:	14			$ 153.00	$ 2,142	$ 153.00	$ 2,142	$ 153.00	$ 2,142
Distribution Cost Component									
MCF Nov08-Jan09 Rates:		8,153.0		$ 1.49868	$ 12,219	$ 1.70520	$ 13,902	$ 1.9795	$ 16,139
MCF Feb09-Oct09 Rates:		4,483.7		$ 1.70520	$ 7,646	$ 1.70520	$ 7,646	$ 1.9795	$ 8,875
MCF Nov08-Jan09 Rates:			-	$ 0.99680	$ -	$ 1.20520	$ -	$ 1.4795	
MCF Feb09-Oct09 Rates:			3,054.3	$ 1.20520	$ 3,681	$ 1.20520	$ 3,681	$ 1.4795	$ 4,519
Subtotal		**9,339,275.0**	**1,089,172.2**		**$ 24,156,543**		**$ 26,096,488**		**$ 31,147,348**
Correction Factor				0.991051		0.991051		0.991051	
Subtotal Rate CGS after application of Correction Factor					**24,374,666**		**26,332,128**		**31,428,595**
Temperature Normalization		(21,490.9)		$ 1.70520	$ (36,646)	$ 1.70520	$ (36,646)	$ 1.97950	$ (42,541)
Adjustment to Reflect Year-End Customers		600,620.0			$ 1,404,610		$ 1,404,610		1,676,530
GSC at Current (Feb 2010 to Apr 2010) Charges GSC		10,991,013.9		5.3494	$ 58,795,330	5.3494	$ 58,795,330	5.3494	$ 58,795,330
GSC at Current - Pipeline Suppliers Demand		16,562.4		0.9845	$ 16,306	0.9845	$ 16,306	0.9845	$ 16,306
Total Commercial Gas Service Rate CGS		11,007,576.3			84,554,265		86,511,727		91,874,219
Proposed Increase in Revenue									5,362,492
									6.20%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 209

				During 12 Month Period		P.S.C. Gas No. 7 for Full Year		Proposed Rates	
Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	Unit Charges	Calculated Revenue	Unit Charges	Calculated Revenue	Unit Charges	Calculated Revenue
RATE IGS:									
Firm Industrial Gas Service Rate IGS									
Customers for the 12-Month Period									
Meters < 5000 cfh									
Customers Nov08-Jan09:	444			$ 16.50	$ 7,326	$ 23.00	$ 10,212	$ 30.00	$ 13,320
Customers Feb09-Oct09:	926			$ 23.00	$ 21,298	$ 23.00	$ 21,298	$ 30.00	$ 27,780
Meters 5000 cfh or >									
Customers Nov08-Jan09:	412			$ 117.00	$ 48,204	$ 160.00	$ 65,920	$ 170.00	$ 70,040
Customers Feb09-Oct09:	832			$ 160.00	$ 133,120	$ 160.00	$ 133,120	$ 170.00	$ 141,440
Distribution Cost Component									
MCF Nov08-Jan09 Rates:		357,194.5		$ 1.49680	$ 534,649	$ 1.65240	$ 590,228	$ 1.97950	$ 707,067
MCF Feb09-Oct09 Rates:		295,215.8		$ 1.65240	$ 487,815	$ 1.65240	$ 487,815	$ 1.97950	$ 584,380
MCF Nov08-Jan09 Rates:			0.0	$ 0.99680	$ -	$ 1.15240	$ -	$ 1.47950	
MCF Feb09-Oct09 Rates:			285,463.2	$ 1.15240	$ 328,968	$ 1.15240	$ 328,968	$ 1.47950	$ 422,343
Gas Transportation Service/Standby Rider to Rate IGS									
Administrative Charges for the 12-Month Period									
MCF Nov08-Jan09 Rates:	8			$ 90.00	$ 720	$ 153.00	$ 1,224	$ 153.00	$ 1,224
MCF Feb09-Oct09 Rates:	24			$ 153.00	$ 3,672	$ 153.00	$ 3,672	$ 153.00	$ 3,672
Distribution Cost Component									
MCF Nov08-Jan09 Rates:		9,543.9		$ 1.49868	$ 14,303	$ 1.65240	$ 15,770	$ 1.97950	$ 18,892
MCF Feb09-Oct09 Rates:		7,626.2		$ 1.65240	$ 12,602	$ 1.65240	$ 12,602	$ 1.97950	$ 15,096
MCF Nov08-Jan09 Rates:			0.0	$ 0.99680	$ -	$ 1.15240	$ -	$ 1.47950	$ -
MCF Feb09-Oct09 Rates:			40,470.2	$ 1.15240	$ 46,638	$ 1.15240	$ 46,638	$ 1.47950	$ 59,876
Subtotal		**669,580.4**	**325,933.4**		**$ 1,639,314**		**$ 1,717,466**		**$ 2,065,129**
Correction Factor				1.001184		1.001184		1.001184	
Subtotal Rate IGS after application of Correction Factor					**1,637,375**		**1,715,435**		**2,062,686**
Temperature Normalization		(11,417.8)		$ 1.65240	$ (18,866.73)	$ 1.65240	$ (18,866.73)	$ 1.97950	$ (22,601.49)
Adjustment to Reflect Year-End Customers		58,955.0			$ 96,963.00		$ 96,963.00		116,596
Adjustment for Rate Switching									
Customer Chg 12-months	(12)				$ (1,767.97)		$ (1,767.97)		$ (1,767.97)
On-Peak MCF 12-months		(12,950.7)			$ (20,061.22)		$ (20,061.22)		$ (20,061.22)
Off-Peak MCF Apr09-Oct09			(11,407.3)		$ (13,145.77)		$ (13,145.77)		$ (13,145.77)
GSC at Current (Feb 2010 to Apr 2010) Charges GSC		958,300.3		5.3494	$ 5,126,332	5.3494	$ 5,126,332	5.3494	$ 5,126,332
GSC at Current - Pipeline Suppliers Demand		60,392.7		0.9845	$ 59,457	0.9845	$ 59,457	0.9845	$ 59,457
Total Industrial Gas Service Rate IGS		1,018,693.0			6,866,285		6,944,344		7,307,494
Proposed Increase in Revenue									363,149 5.23%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 209

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period Unit Charges	During 12 Month Period Calculated Revenue	P.S.C. Gas No. 7 for Full Year Unit Charges	P.S.C. Gas No. 7 for Full Year Calculated Revenue	Proposed Rates Unit Charges	Proposed Rates Calculated Revenue
RATE AAGS:									
As Available Gas Service Rate AAGS									
Customers for the 12-Month Period									
Customers Nov08-Jan09:	50			$ 150.00	$ 7,450	$ 275.00	$ 13,659	$ 275.00	$ 13,659
Customers Feb09-Oct09:	128			$ 275.00	$ 35,291	$ 275.00	$ 35,291	$ 275.00	$ 35,291
Distribution Cost Component		291,982.5		$ 0.52520	$ 153,349	$ 0.52520	$ 153,349	$ 0.52520	$ 153,349
Subtotal		**291,982.5**			**$ 196,091**		**$ 202,299**		**$ 202,299**
Correction Factor				1.014987		1.014987		1.014987	
Subtotal Rate AAGS after application of Correction Factor					**193,195**		**199,312**		**199,312**
Temperature Normalization		(3,313.8)		$ 0.52520	$ (1,740)	$ 0.52520	$ (1,740)	$ 0.52520	$ (1,740.43)
Adjustment to Reflect Year-End Customers		-			-		-		-
GSC at Current (Feb 2010 to Apr 2010) Charges GSC		288,668.7		5.3494	$ 1,544,204	5.3494	$ 1,544,204	5.3494	$ 1,544,204
GSC at Current - Pipeline Suppliers Demand		-			$ -		$ -		$ -
Total As Available Gas Service Rate AAGS		288,668.7			1,735,659		1,741,776		1,741,776
Proposed Increase in Revenue									0
									0.00%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 209

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	During 12 Month Period Unit Charges	During 12 Month Period Calculated Revenue	P.S.C. Gas No. 7 for Full Year Unit Charges	P.S.C. Gas No. 7 for Full Year Calculated Revenue	Proposed Rates Unit Charges	Proposed Rates Calculated Revenue
RATE FT:									
Firm Transportation Service (Non-Standby) Rate FT									
Administrative Charges for the 12-Month Period									
MCF Nov08-Jan09 Rates:	220			$ 90.00	$ 19,800	$ 230.00	$ 50,600	$ 230.00	$ 50,600
MCF Feb09-Oct09 Rates:	621			$ 230.00	$ 142,830	$ 230.00	$ 142,830	$ 230.00	$ 142,830
Distribution Cost Component		7,590,002.2		$ 0.43000	$ 3,263,701	$ 0.43000	$ 3,263,701	$ 0.43000	$ 3,263,701
Utilization Charge for Daily Imbalances:									
Daily Storage Charge									
MCF Nov08-Jan09 Rates:		375,391.3		$ 0.1200	$ 45,047	$ 0.1833	$ 68,809	$ 0.1833	$ 68,809
MCF Feb09-Oct09 Rates:		540,697.4		$ 0.1833	$ 99,110	$ 0.1833	$ 99,110	$ 0.1833	$ 99,110
Subtotal					**$ 3,570,488**		**$ 3,625,050**		**$ 3,625,050**
Correction Factor				0.998969		0.998969		0.998969	
Subtotal Rate FT after application of Correction Factor					**3,574,174.5**		**3,628,793.1**		**3,628,793.1**
Temperature Normalization		(30,377.9)		$ 0.4300	(13,062.5)	$ 0.4300	$ (13,063)	$ 0.4300	$ (13,063)
Adjustment to Reflect Year-End Customers		-			-		$ -		$ -
Adjustment for Rate Switching									
Admin Chg 12-months	36				$ 2,265		$ 2,265		$ 2,265
On-Peak MCF 12-months		1,734,746.1			745,941		$ 745,941		$ 745,941
UCDI Charge - Daily Demand (current)		916,088.6		$ 0.1876	171,858.2	$ 0.1876	171,858.2	$ 0.1876	171,858.2
Total Firm Transportation (Non-Standby) Rate FT		9,294,370.4			4,481,176		4,535,795		4,535,795
Proposed Increase in Revenue									- 0.00%
Pooling Service Rate PS - FT									
Administrative Charges	800			$ 75.00	$ 60,000	$ 75.00	$ 60,000	$ 75	$ 60,000
Total Rate PS-FT					60,000		60,000		60,000
Proposed Increase in Revenue									- 0.00%

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 209

				Dunng 12 Month Period		P.S.C. Gas No. 7 for Full Year		Proposed Rates	
Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	Unit Charges	Calculated Revenue	Unit Charges	Calculated Revenue	Unit Charges	Calculated Revenue
INTRA-COMPANY SPECIAL CONTRACTS									
Intra-Company Special Contract - Sales Service									
Customers for the 12-Month Penod									
Customers Nov08-Jan09:	6			$ 68.00	$ 408	$ 160.00	$ 960	$ 170.00	$ 1,020
Customers Feb09-Oct09:	18			$ 160.00	$ 2,880	$ 160.00	$ 2,880	$ 170.00	$ 3,060
Distribution Cost Component		437,214.3 Mcf		$ 0.2253	$ 98,504	$ 0.2253	$ 98,504	$ 0.2744	$ 119,982
Demand Charge		3,556,800 Ccfd		$ 0.83	$ 2,952,144	$ 0.83	$ 2,952,144	$ 1.0110	$ 3,595,817
					$ 3,053,936		$ 3,054,488		$ 3,719,878
GSC at Current (Feb 2010 to Apr 2010) Charges GSC		437,214.3		$ 5.3494	$ 2,338,834	$ 5.3494	$ 2,338,834	$ 5.3494	$ 2,338,834
Total Intra-Company Special Contract - Sales Service					$ 5,392,771		$ 5,393,323		$ 6,058,713
Increase									$ 665,390
									12.34%
Intra-Company Special Contract - Rate FT Customer									
Customers for the 12-Month Penod									
Customers Nov08-Jan09:	3			$ 686.00	$ 2,058	$ 781.00	$ 2,343	$ 781.00	$ 2,343
Customers Feb09-Oct09:	9			$ 781.00	$ 7,029	$ 781.00	$ 7,029	$ 781.00	$ 7,029
Distribution Cost Component		13,677.0		$ 0.04870	$ 666	$ 0.04870	$ 666	$ 0	$ 666
Demand Charge		518,400.0		$ 2.43	$ 1,259,712	$ 2.43	$ 1,259,712	$ 2	$ 1,259,712
Sales Gas		1,195.6		$ -	$ -	$ -	$ -		
Utilization Charge for Daily Imbalances:									
Daily Storage Charge									
MCF Nov08-Jan09 Rates:		326.5		$ 0.1200	$ 39	$ 0.1833	$ 60	$ 0	$ 60
MCF Feb09-Oct09 Rates:		10,662.6		$ 0.1833	$ 1,954	$ 0.1833	$ 1,954	$ 0	$ 1,954
					$ 1,271,459		$ 1,271,764		$ 1,271,764
Total Intra-Company Special Contracts		**452,086.9**			**$ 4,325,395**		**$ 4,326,253**		**$ 4,991,643**

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculations to Reconstruct Test Period Billing Determinants
12 Months Ended October 31, 209

Rate Class	Customers 12mos Oct 2009	Peak MCF	Off-Peak MCF	Dunng 12 Month Period Unit Charges	Dunng 12 Month Period Calculated Revenue	P.S.C. Gas No. 7 for Full Year Unit Charges	P.S.C. Gas No. 7 for Full Year Calculated Revenue	Proposed Rates Unit Charges	Proposed Rates Calculated Revenue
SPECIAL CONTRACTS									
Special Contract									
Transportation Service									
Admin Charge Nov08-Jan09:	3			$ 90.00	$ 270	$ 230.00	$ 690		
Admin Charge Feb09-Oct09:	9			$ 230.00	$ 2,070	$ 230.00	$ 2,070		
Distribution Cost Component		591,360.0		$ 0.0487	$ 28,799	$ 0.0487	$ 28,799		
Demand Charge		90,000.0		$ 2.43	$ 218,700	$ 2.43	$ 218,700		
Sales Gas		2,469.0		$ -	$ -	$ -	$ -		
Utilization Charge for Daily Imbalances:									
Daily Storage Charge									
MCF Nov08-Jan09 Rates:		38,077.8		$ 0.1200	$ 4,569	$ 0.1833	$ 6,980		
MCF Feb09-Oct09 Rates:		29,379.1		$ 0.1833	$ 5,385	$ 0.1833	$ 5,385		
					$ 259,794		$ 262,624		
Special Contract									
Transportation Service									
Admin Charge Nov08-Jan09:	3			$ 90.00	$ 270	$ 230.00	$ 690		
Admin Charge Feb09-Oct09:	9			$ 230.00	$ 2,070	$ 230.00	$ 2,070		
Distribution Cost Component		512,570.3		$ 0.1049	$ 53,769	$ 0.1049	$ 53,769		
Demand Charge		39,201.6		$2.75	$ 107,804	$ 2.75	$ 107,804		
Sales Gas		3,343.5		$ -	$ -	$ -	$ -		
Utilization Charge for Daily Imbalances:									
Daily Storage Charge									
MCF Nov08-Jan09 Rates:		12,852.9		$ 0.1200	$ 1,542	$ 0.1833	$ 2,356		
MCF Feb09-Oct09 Rates:		67,189.9		$ 0.1833	$ 12,316	$ 0.1833	$ 12,316		
					$ 177,771		$ 179,005		
Special Contracts									
Transportation Service									
Admin Charge Nov08-Jan09:	6			$ 90.00	$ 540	$ 230.00	$ 1,380		
Admin Charge Feb09-Oct09:	18			$ 230.00	$ 4,140	$ 230.00	$ 4,140		
Distribution Cost Component		1,710,388.1		$ 0.3200	$ 547,324	$ 0.3200	$ 547,324		
Annual Minimum Revenue Requirement					$ 331,523		$ 331,523		
					$ 883,527		$ 884,367		
Total Special Contracts					$ 1,321,092		$ 1,325,996		

Seelye Exhibit 11

Cable TV Attachment Charges

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation Of Attachment Charges for CATV

Pole Size	Quantity	Installed Cost	Average Installed Cost
Weighted Average Bare Pole Cost as of 10/31/2009			
35'	21,992	$ 9,895,841	$ 449.97
40'	61,023	25,998,372	426.04
	83,015	$ 35,894,213	$ 432.38
Three-User Poles			
40'	61,023	$ 25,998,372	$ 426.04
45'	22,136	23,008,391	1,039.41
	83,159	$ 49,006,763	$ 589.31

	Number of Attachments	Weighted Cost
Two-User Pole Charge		
$432.38 x .1224 Usage Space Factor = $ 52.92		
$ 52.92 x .1843 Annual Carrying Charge = $ 9.76	17,699	$ 172,659
Three-User Pole Charge		
$589.31 x .0759 Usage Space Factor = $44.73		
$ 44.73 x .1843 Annual Carrying Charge = $8.24	68,646	$ 565,966
Weighted Total	86,345	$ 738,625
Weighted Average Monthly Cost		$ 8.55

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation Of Annual Carrying Charge

Proposed Rate of Return	8.32%
Depreciation - Sinking Fund	0.54%
Income Tax (1)	3.63%
Property Tax and Insurance	0.22%
Operation and Maintenance (Page 3)	5.73%
Total	18.43%

(1) Derived from rates of equity capital

	Capitalization Ratio	Annual Rate	Composite Rate
Common	53.86%	11.50%	6.19%
Preferred	0.00%	0.00%	0.00%
Total Equity	53.86%		6.19%
Debt	46.14%	4.61%	2.13%
Total Capitalization	100.00%		8.32%

Composite Federal and State Income Taxes rate = 36.93%

Income Tax = (0.3693/(1-0.3693) x 0.0619 = 3.63%

LOUISVILLE GAS AND ELECTRIC COMPANY

Operation and Maintenance Expenses for
the 12 Months Ended October 31, 2009

(1) Labor Charged to 592 - Poles, Towers and Fixtures Subaccount	$ 289,969	
- Tree Trimming	225,900	
		$ 515,870
Total Labor		$ 56,166,593
Total Administrative and General Expenses		$ 73,557,685

Assignment of a Portion of A & G Expenses to Poles

($515,870/$56,166,593) x $73,557,685 = $675,600

Expenses Assigned to Poles

Maintenance of Poles, Towers, and Fixtures Subaccount 593001	$ 1,366,766
Tree Trimming of Electric Distribution Routes 593004	4,775,583
A & G Expenses Assigned to Poles	675,600
Total	$ 6,817,950

Adder to Annual Carrying Charges for O & M Expenses

$ 6,817,950	Expenses Assigned to Poles	=	5.73%
119,084,747	Plant in Service - Account 364		

Seelye Exhibit 12

Excess Facilities Charge
Cost Support

Louisville Gas and Electric Company

Present Value of Replacement Plant as a Percentage of Original Cost
Electric Service

Year (1)	30 Year R2 Iowa Curve Percent Surviving (2)	Annual Replacement Percentage (3)	Cumulative Replacement Percentage (4)	Cost Escalation Factor at a 3.00% Inflation Factor (5)	Nominal Replacement Cost (6)	Present Value Factor at a 7.00% Discount Rate (7)	Present Value of Annual Replacement Cost (8)	Cumulative Present Value of Annual Replaced Cost (9)
					(3) x (5)		(6) x (7)	
0	100.0000							
1	99.6710	0.3290	0.3290	1.0300	0.3389	0.9346	0.3167	0.3167
2	99.3034	0.3676	0.6966	1.0609	0.3900	0.8734	0.3406	0.6573
3	98.8936	0.4098	1.1064	1.0927	0.4478	0.8163	0.3655	1.0229
4	98.4380	0.4556	1.5620	1.1255	0.5128	0.7629	0.3912	1.4141
5	97.9327	0.5053	2.0673	1.1593	0.5858	0.7130	0.4177	1.8317
6	97.3737	0.5590	2.6263	1.1941	0.6675	0.6663	0.4448	2.2765
7	96.7565	0.6172	3.2435	1.2299	0.7591	0.6227	0.4727	2.7492
8	96.0767	0.6798	3.9233	1.2668	0.8612	0.5820	0.5012	3.2504
9	95.3294	0.7473	4.6706	1.3048	0.9751	0.5439	0.5304	3.7808
10	94.5095	0.8199	5.4905	1.3439	1.1019	0.5083	0.5601	4.3409
11	93.6118	0.8977	6.3882	1.3842	1.2426	0.4751	0.5904	4.9313
12	92.6306	0.9812	7.3694	1.4258	1.3990	0.4440	0.6212	5.5524
13	91.5602	1.0704	8.4398	1.4685	1.5719	0.4150	0.6523	6.2047
14	90.3943	1.1659	9.6057	1.5126	1.7635	0.3878	0.6839	6.8886
15	89.1267	1.2676	10.8733	1.5580	1.9749	0.3624	0.7158	7.6044
16	87.7508	1.3759	12.2492	1.6047	2.2079	0.3387	0.7479	8.3523
17	86.2598	1.4910	13.7402	1.6528	2.4644	0.3166	0.7802	9.1325
18	84.6471	1.6127	15.3529	1.7024	2.7455	0.2959	0.8123	9.9448
19	82.9057	1.7414	17.0943	1.7535	3.0536	0.2765	0.8443	10.7891
20	81.0292	1.8765	18.9708	1.8061	3.3892	0.2584	0.8758	11.6649
21	79.0113	2.0179	20.9887	1.8603	3.7539	0.2415	0.9066	12.5716
22	76.8463	2.1650	23.1537	1.9161	4.1484	0.2257	0.9363	13.5079
23	74.5295	2.3168	25.4705	1.9736	4.5724	0.2109	0.9645	14.4724
24	72.0573	2.4722	27.9427	2.0328	5.0255	0.1971	0.9908	15.4632
25	69.4278	2.6295	30.5722	2.0938	5.5056	0.1842	1.0144	16.4776
26	66.6411	2.7867	33.3589	2.1566	6.0098	0.1722	1.0349	17.5124
27	63.7000	2.9411	36.3000	2.2213	6.5330	0.1609	1.0514	18.5638
28	60.6101	3.0899	39.3899	2.2879	7.0695	0.1504	1.0633	19.6271
29	57.3808	3.2293	42.6192	2.3566	7.6101	0.1406	1.0697	20.6968
30	54.0251	3.3557	45.9749	2.4273	8.1452	0.1314	1.0700	21.7668

Present Value of Replacement Plant as a Percentage of Original Cost $\boxed{21.7668}$

Louisville Gas and Electric Company
Excess Facilities Charges
Electric Service

		Assuming Customer Does Not Make Up-Front Payment to Cover Original Cost	Assuming Customer Makes Up-Front Payment to Cover Original Cost
1	Present Value of Replacement Plant as a Percentage of Original Cost	21.77	21.77
2	Original Cost Value	100	-
3	Total Present Value of Original and Replacement Cost Value as a Percentage of Original Cost	121.77	21.77
4	Monthly Carrying Charge Percentage (Levelized Carrying Charge Rate / 12 months)	0.00860	0.00860
5	Applicable Carrying Charge Charge Percentage (Lines 3 x 5)	1.05%	0.19%
6	O&M Percentage	0.68%	0.68%
7	Total Excess Facilities Charge	1.73%	0.87%

Louisville Gas and Electric Company

Levelized Carrying Charge Analysis - Electric

Electric Service

Capital Structure:

	Percent	Rate	Weighted COC	Tax Rate	Adjusted Rate
Debt	46.14%	4.61%	2.13%	37.60%	1.33%
Preferred Equity	0.00%	0.00%	0.00%		0.00%
Common Equity	53.86%	11.50%	6.19%		6.19%
			8.32%		7.52%

Tax Depreciation Table (MACRS)

	5	10	15	20
1	20.000%	10.000%	5.000%	3.750%
2	32.000%	18.000%	9.500%	7.219%
3	19.200%	14.400%	8.550%	6.677%
4	11.520%	11.520%	7.700%	6.177%
5	11.520%	9.220%	6.930%	5.713%
6	0.000%	7.370%	6.230%	5.285%
7	0.000%	6.550%	5.900%	4.888%
8	0.000%	6.550%	5.900%	4.522%
9	0.000%	6.560%	5.910%	4.462%
10	0.000%	6.550%	5.900%	4.461%
11	0.000%	0.000%	5.910%	4.462%
12	0.000%	0.000%	5.900%	4.461%
13	0.000%	0.000%	5.910%	4.462%
14	0.000%	0.000%	5.900%	4.461%
15	0.000%	0.000%	5.910%	4.462%
16	0.000%	0.000%	2.950%	4.461%
17	0.000%	0.000%	0.000%	4.462%
18	0.000%	0.000%	0.000%	4.461%
19	0.000%	0.000%	0.000%	4.462%
20	0.000%	0.000%	0.000%	4.461%
21	0.000%	0.000%	0.000%	2.231%
22	0.000%	0.000%	0.000%	0.000%
23	0.000%	0.000%	0.000%	0.000%
24	0.000%	0.000%	0.000%	0.000%
25	0.000%	0.000%	0.000%	0.000%
26	0.000%	0.000%	0.000%	0.000%
27	0.000%	0.000%	0.000%	0.000%
28	0.000%	0.000%	0.000%	0.000%
29	0.000%	0.000%	0.000%	0.000%
30	0.000%	0.000%	0.000%	0.000%
31	0.000%	0.000%	0.000%	0.000%
31	0.000%	0.000%	0.000%	0.000%

Louisville Gas and Electric Company
Levelized Carrying Charge Analysis
Electric Service

Assumptions:

Investment	$	1,000
Book Life		30
Tax Life		20
Composite Tax Rate		37.6028%
Property Tax Rate		0.00%
Levelized Revenue Requirement Years		35
O&M as Percent of Investment		0.00%

Results:

Present Value Revenue Requirement	$	1,164	
Levelized Revenue Requirement		$103	
Levelized Carrying Charge Rate		10.32%	
Level of Investment that can be Supported b'		9.69	Times Net Revenue

Year	Investment	Book Depreciation	Residual Plant	Tax Depreciation	Residual Plant	Deferred Income Tax	Accumulated Deferred Income Tax
0	$ 1,000						
1		33	967	38	963	2	2
2		33	933	72	890	15	16
3		33	900	67	824	13	29
4		33	867	62	762	11	39
5		33	833	57	705	9	48
6		33	800	53	652	7	56
7		33	767	49	603	6	62
8		33	733	45	558	4	66
9		33	700	45	513	4	70
10		33	667	45	468	4	75
11		33	633	45	424	4	79
12		33	600	45	379	4	83
13		33	567	45	335	4	87
14		33	533	45	290	4	92
15		33	500	45	245	4	96
16		33	467	45	201	4	100
17		33	433	45	156	4	104
18		33	400	45	112	4	108
19		33	367	45	67	4	113
20		33	333	45	22	4	117
21		33	300	22	(0)	(4)	113
22		33	267	-	(0)	(13)	100
23		33	233	-	(0)	(13)	88
24		33	200	-	(0)	(13)	75
25		33	167	-	(0)	(13)	63
26		33	133	-	(0)	(13)	50
27		33	100	-	(0)	(13)	38
28		33	67	-	(0)	(13)	25
29		33	33	-	(0)	(13)	13
30		33	(0)	-	(0)	(13)	-

Louisville Gas and Electric Company
Levelized Carrying Charge Analysis
Electric Service

Assumptions:

Investment	$	1,000
Book Life		30
Tax Life		20
Composite Tax Rate		37.6028%
Property Tax Rate		0.00%
Levelized Revenue Requirement Years		35
O&M as Percent of Investment		0.00%

Results:

Present Value Revenue Requirement	$	1,164	
Levelized Revenue Requirement		$103	
Levelized Carrying Charge Rate		10.32%	
Level of Investment that can be Supported by Revenue		9.69	Times Net Revenue

Year	Rate Base	Interest	Equity	Income Taxes	Annual Revenue Requirement	Present Value Interest Factor	Present Value Revenue Requirement
0	$ -	-	$ -	-	$ -	1.000000	$ -
1	965	21	60	36	150	1	138
2	917	20	57	34	144	0.852266	123
3	871	19	54	33	138	0.786797	109
4	827	18	51	31	133	0.726357	97
5	785	17	49	29	128	0.670560	86
6	744	16	46	28	123	0.619049	76
7	705	15	44	26	118	0.571495	68
8	667	14	41	25	114	0.527594	60
9	630	13	39	24	109	0.487066	53
10	592	13	37	22	105	0.449651	47
11	555	12	34	21	100	0.415110	42
12	517	11	32	19	96	0.383222	37
13	479	10	30	18	91	0.353784	32
14	442	9	27	16	87	0.326607	28
15	404	9	25	15	82	0.301518	25
16	367	8	23	14	78	0.278356	22
17	329	7	20	12	73	0.256973	19
18	292	6	18	11	68	0.237233	16
19	254	5	16	9	64	0.219009	14
20	216	5	13	8	59	0.202186	12
21	187	4	12	7	56	0.186654	10
22	166	4	10	6	53	0.172316	9
23	146	3	9	5	51	0.159079	8
24	125	3	8	5	48	0.146859	7
25	104	2	6	4	46	0.135578	6
26	83	2	5	3	43	0.125163	5
27	62	1	4	2	41	0.115548	5
28	42	1	3	2	38	0.106672	4
29	21	0	1	1	36	0.098478	4
30	(0)	(0)	(0)	(0)	33	0.090913	3
							$ 1,164