

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR 31 2010

PUBLIC SERVICE
COMMISSION

In the Matter of

THE PETITION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR CONFIDENTIAL)
TREATMENT OF CERTAIN INFORMATION)
CONTAINED IN ITS QUARTERLY GAS)
SUPPLY CLAUSE FILING)

CASE NO. 2010-00140

**PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY
FOR CONFIDENTIAL TREATMENT OF CERTAIN INFORMATION
CONTAINED IN ITS QUARTERLY GAS SUPPLY CLAUSE FILING**

Louisville Gas and Electric Company (“LG&E”), pursuant to 807 KAR 5:001, Section 7, petitions the Commission to classify and protect as confidential certain information that is contained in its Quarterly Gas Supply Clause filing, as more fully described below:

1. LG&E is filing contemporaneously with this Petition, as required by its tariffs governing its Gas Supply Clause (Original Sheet Nos. 85.1 and 85.2 of LG&E Gas Tariff PSC No. 7), a statement setting forth the summary of the total purchased gas costs for the period of November 2009 through January 2010 (“Summary”). Included in the Summary, which is included in the filing as two pages in Exhibit B-1, pages 5 and 6, is certain information the disclosure of which would damage LG&E’s competitive position and business interests. As required by 807 KAR 5:001, Section 7(2)(b), LG&E is providing one copy of this Summary, under seal, with the material for which confidential treatment is requested highlighted, and ten copies of the Summary with the confidential material redacted.

2. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party.

3. The Summary contains sensitive commercial information, the disclosure of which would injure LG&E's ability to negotiate future gas supply contracts at advantageous prices and, thereby, minimize the price of natural gas to its customers, and would unfairly advantage LG&E's competitors for both gas supplies and retail gas load. Any impairment of its ability to obtain the most advantageous price possible from natural gas producers and marketers will necessarily erode LG&E's competitive position vis-a-vis other energy suppliers that compete in LG&E's service territory, as well as other LDCs with whom LG&E competes for new and relocating industrial customers. This sensitive information identifies LG&E's natural gas suppliers for the period set forth and links those providers with specific gas volumes delivered and the costs thereof. Redacting the suppliers' names from the Summary will prevent other parties from piecing together the sensitive information which LG&E seeks to protect from disclosure. LG&E, therefore, proposes that the identity of each supplier be kept confidential.

Disclosure of the suppliers' identities will damage LG&E's competitive position and business interest in two ways. First, it will allow LG&E's competitors to know the unit price and overall cost of the gas LG&E is purchasing from each supplier. This information is valuable to LG&E's competitors because it can alert them to the identity of LG&E's low cost suppliers, and if those supply agreements are more favorable than theirs, they can attempt to outbid LG&E for those suppliers. This would raise prices to LG&E which would hurt its competitive position and harm its ratepayers. Second, it will provide competitors of LG&E's suppliers with information which will enable future gas bidding to be manipulated to the competitors'

advantage and to the detriment of LG&E and its customers. Instead of giving its best price in a bid, a gas supply competitor with knowledge of the recent pricing practices of LG&E's other suppliers could adjust its bid so that it just beats other bidders' prices or other terms. As a result, LG&E and its customers will pay a higher price for gas than they would have otherwise.

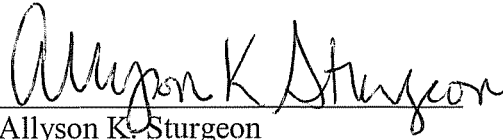
4. LG&E has filed identical requests with the Commission with regard to the same information contained in prior quarterly Gas Supply Clause filings, which the Commission has granted.

5. The information in the Summary for which LG&E is seeking confidential treatment is not known outside of LG&E and the relevant suppliers, and it is not disseminated within LG&E except to those employees with a legitimate business need to know and act upon the information.

6. The public interest will be served by granting this Petition in that competition among LG&E's prospective gas suppliers will be fostered, and the cost of gas to LG&E's customers will thereby be minimized. In addition, the public interest will be served by fostering full and fair competition between LG&E and other energy service providers within LG&E's gas service territory.

WHEREFORE, Louisville Gas and Electric Company respectfully requests that the Commission classify and protect as confidential the identity of the gas suppliers listed in the statement that sets forth the summary of the total purchased gas costs for the period of November 2009 through January 2010 and that is included in the three month filing made concurrently herewith pursuant to LG&E's Gas Supply Clause.

Respectfully submitted,



Allyson K. Sturgeon
Senior Corporate Attorney

E.ON U.S. Services, Inc.

220 West Main Street

P. O. Box 32010

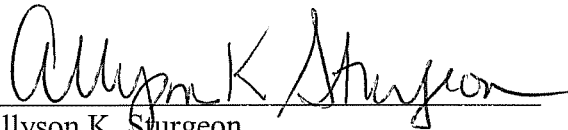
Louisville, Kentucky 40232

(502) 627-2088

Counsel for Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

This is to certify that a true copy of the foregoing instrument was shipped via United Parcel Service on the 31st of March, 2010, to the Office of the Attorney General, Office for Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601-8204.



Allyson K. Sturgeon

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2009 THROUGH JANUARY 2010

DELIVERED BY TEXAS GAS TRANSMISSION, LLC
COMMODITY AND VOLUMETRIC CHARGES:

| | NOVEMBER 2009 | | DECEMBER 2009 | | JANUARY 2010 | |
|--|------------------|-----------------------|------------------|------------------------|------------------|------------------------|
| | NET MMBTU | MCF | NET MMBTU | MCF | NET MMBTU | MCF |
| 1 | 612,360 | 597,424 | 632,772 | 617,339 | 619,132 | 604,031 |
| 2 | 256,500 | 250,244 | 885,811 | 864,206 | 541,210 | 528,010 |
| 3 | 9,712 | 9,475 | 0 | 0 | 0 | 0 |
| 4 | 0 | 0 | 299,572 | 292,255 | 769,210 | 750,449 |
| 5 | 184,608 | 180,105 | 0 | 0 | 14,580 | 14,224 |
| 6 | 174,949 | 170,682 | (146,605) | (143,029) | 121,500 | 118,537 |
| 7 | 0 | 0 | 830,605 | 810,346 | 370,211 | 361,181 |
| 8 | 0 | 0 | (87,953) | (85,818) | 0 | 0 |
| 9 | 570,000 | 556,098 | 28,500 | 27,805 | 484,500 | 472,683 |
| 10 | 29,144 | 28,433 | 0 | 0 | 0 | 0 |
| | <u>1,837,273</u> | <u>1,792,461</u> | <u>2,442,692</u> | <u>2,383,114</u> | <u>2,820,343</u> | <u>2,849,115</u> |
| | | <u>\$7,077,713.52</u> | | <u>\$11,114,717.85</u> | | <u>\$17,321,486.56</u> |
| NO-NOTICE SERVICE ("NNS") STORAGE: | | | | | | |
| 1 | 216,097 | 210,826 | 717,311 | 699,816 | 905,026 | 882,952 |
| 2 | (263,030) | (256,615) | (48,329) | (47,150) | (1,101) | (1,074) |
| 3 | 199 | 1,934 | 0 | (860) | 0 | 10,102 |
| 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>(46,734)</u> | <u>(43,855)</u> | <u>668,982</u> | <u>651,806</u> | <u>903,925</u> | <u>891,980</u> |
| | | <u>(\$182,520.30)</u> | | <u>\$3,103,608.19</u> | | <u>\$5,373,562.95</u> |
| NATURAL GAS TRANSPORTERS: | | | | | | |
| 1 | 0 | 37,039 | 0 | 33,677 | 0 | 37,029 |
| 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>1,790,539</u> | <u>1,785,645</u> | <u>3,111,674</u> | <u>3,068,597</u> | <u>3,824,268</u> | <u>3,778,124</u> |
| | | <u>\$101,369.72</u> | | <u>\$179,514.73</u> | | <u>\$236,273.88</u> |
| | | <u>\$6,996,562.94</u> | | <u>\$14,397,840.77</u> | | <u>\$22,931,323.41</u> |
| TOTAL COMMODITY AND VOLUMETRIC CHARGES | | | | | | |
| DEMAND AND FIXED CHARGES: | | | | | | |
| 1 | 0 | 37,039 | 0 | 33,677 | 0 | 37,029 |
| 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>0</u> | <u>37,039</u> | <u>0</u> | <u>33,677</u> | <u>0</u> | <u>37,029</u> |
| | | <u>\$101,688.98</u> | | <u>\$179,514.73</u> | | <u>\$228,781.90</u> |
| | | <u>(\$319.26)</u> | | <u>\$0.00</u> | | <u>\$7,491.98</u> |
| | <u>0</u> | <u>\$0.00</u> | <u>0</u> | <u>\$0.00</u> | <u>0</u> | <u>\$0.00</u> |
| | <u>1,790,539</u> | <u>1,785,645</u> | <u>3,111,674</u> | <u>3,068,597</u> | <u>3,824,268</u> | <u>3,778,124</u> |
| | | <u>\$101,369.72</u> | | <u>\$179,514.73</u> | | <u>\$236,273.88</u> |
| | | <u>\$6,996,562.94</u> | | <u>\$14,397,840.77</u> | | <u>\$22,931,323.41</u> |
| TOTAL DEMAND AND FIXED CHARGES | | | | | | |
| TOTAL PURCHASED GAS COSTS -- TEXAS GAS TRANSMISSION, LLC | | | | | | |
| | | <u>\$2,647,197.62</u> | | <u>\$3,314,030.93</u> | | <u>\$3,303,369.28</u> |
| | | <u>\$9,643,760.56</u> | | <u>\$17,711,871.70</u> | | <u>\$26,234,712.69</u> |

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2009 THROUGH JANUARY 2010

| | NOVEMBER 2009 | | DECEMBER 2009 | | JANUARY 2010 | |
|--|---------------|-----------------|---------------|-----------------|--------------|-----------------|
| | NET MMBTU | MCF | NET MMBTU | MCF | NET MMBTU | MCF |
| DELIVERED BY TENNESSEE GAS PIPELINE COMPANY | | | | | | |
| COMMODITY AND VOLUMETRIC CHARGES: | | | | | | |
| NATURAL GAS SUPPLIERS: | | | | | | |
| 1 | 0 | 0 | 0 | 0 | 45,945 | 44,607 |
| 2 | 0 | 0 | 0 | 0 | 87,253 | 84,712 |
| 3 | 142,260 | 138,116 | 0 | 0 | 97,685 | 94,840 |
| 4 | 229,500 | 222,816 | 586,500 | 569,417 | 510,000 | 495,145 |
| 5 | 0 | 0 | 0 | 0 | 106,219 | 103,125 |
| 6 | 0 | 0 | 333,500 | 323,786 | 188,500 | 183,010 |
| | 371,760 | 360,932 | 920,000 | 893,203 | 1,035,602 | 1,005,439 |
| | | \$1,512,248.43 | | \$4,384,616.96 | | \$6,172,747.63 |
| NATURAL GAS TRANSPORTERS: | | | | | | |
| 1 | | \$6,505.80 | | \$16,100.00 | | \$18,123.04 |
| 2 | (88) | (\$161.17) | (4,366) | (\$16,972.85) | (393) | (\$2,173.13) |
| 3 | 0 | (\$1,863.28) | 0 | \$0.00 | 0 | \$0.00 |
| 4 | 0 | \$0.01 | 0 | \$0.00 | 0 | \$0.00 |
| TOTAL | 371,672 | \$4,481.36 | 915,634 | (\$872.85) | 1,035,209 | \$15,949.91 |
| TOTAL COMMODITY AND VOLUMETRIC CHARGES | | | | | | |
| | | \$1,516,729.79 | | \$4,383,744.11 | | \$6,188,697.54 |
| DEMAND AND FIXED CHARGES: | | | | | | |
| 1 | | \$329,664.00 | | \$329,664.00 | | \$329,664.00 |
| 2 | | \$0.00 | | \$0.00 | | \$0.00 |
| 3 | | \$838,865.89 | | \$890,695.86 | | \$863,731.13 |
| 4 | | \$0.00 | | \$0.00 | | \$0.00 |
| TOTAL DEMAND AND FIXED CHARGES | | \$1,168,549.89 | | \$1,220,359.86 | | \$1,213,395.13 |
| TOTAL PURCHASED GAS COSTS -- TENNESSEE GAS PIPELINE COMPANY | | | | | | |
| | | \$2,685,279.68 | | \$5,604,103.97 | | \$7,402,092.67 |
| OTHER PURCHASES | | | | | | |
| 1 | 11,244 | \$26,334.28 | 33,577 | \$65,225.10 | 86,910 | \$442,712.32 |
| TOTAL | 11,244 | \$26,334.28 | 33,577 | \$65,225.10 | 86,910 | \$442,712.32 |
| TOTAL PURCHASED GAS COSTS -- ALL PIPELINES | | | | | | |
| | 2,162,211 | \$12,355,374.52 | 4,027,308 | \$23,381,200.77 | 4,859,477 | \$34,079,517.68 |



an e-on company

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40601

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MAR 31 2010

PUBLIC SERVICE
COMMISSION

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

March 31, 2010

**Re: Louisville Gas and Electric Company -
Gas Supply Clause Effective May 1, 2010**

Dear Mr. DeRouen:

2010-00140

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and four copies of the Fifth Revision of Original Sheet No. 85 of LG&E Tariff PSC Gas No. 7 setting forth a Gas Supply Cost Component of 51.880 cents per 100 cubic feet applicable to all gas sold during the period of May 1, 2010 through July 31, 2010. In addition, we file herewith a corresponding number of copies of "Supporting Calculations for the Gas Supply Clause."

Also enclosed herewith is a summary of our gas service rates effective for the period of May 1, 2010 through July 31, 2010.

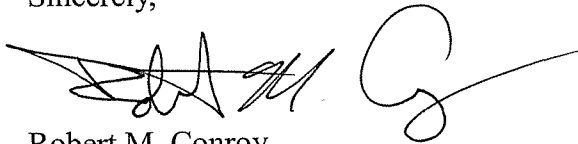
Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 of 6 and 6 of 6.

This filing represents expected gas costs for the three-month period May 1, 2010 through July 31, 2010. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on February 1, 2010. These adjustment levels will remain in effect from May 1, 2010 through July 31, 2010.

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
March 31, 2010

We respectfully request your acceptance of this filing which we believe is in full compliance with the provisions of the LG&E Gas Supply Clause approved by the Kentucky Public Service Commission.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', with a large, stylized flourish extending to the right.

Robert M. Conroy

Enclosures

Louisville Gas and Electric Company

P.S.C. Gas No. 7, Fifth Revision of Original Sheet No. 85
 Canceling P.S.C. Gas No. 7, Fourth Revision of Original Sheet No. 85

| Adjustment Clause | GSC | |
|--|----------------|---|
| Gas Supply Clause | | |
| APPLICABLE TO | | |
| All gas sold. | | |
| GAS SUPPLY COST COMPONENT (GSCC) | | |
| Gas Supply Cost | \$0.55515 | R |
| Gas Cost Actual Adjustment (GCAA) | (0.04682) | I |
| Gas Cost Balance Adjustment (GCBA) | 0.00562 | I |
| Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder: | | |
| Refund Factor Effective February 1, 2010 | (0.00064) | |
| Performance-Based Rate Recovery Component (PBRRC) | <u>0.00549</u> | |
| Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC) | \$0.51880 | R |

Date of Issue: March 31, 2010

Date Effective: May 1, 2010

Issued By: Lonnie E. Bellar, Vice-President, State Regulation and Rates, Louisville, Kentucky

LOUISVILLE GAS AND ELECTRIC COMPANY

**Supporting Calculations For The
Gas Supply Clause**

2010-00XXX

**For the Period
May 1, 2010 through July 31, 2010**

Summary

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After May 1, 2010

2010-00XXX

Gas Supply Cost - See Exhibit A for Detail

| Description | Unit | Amount |
|---|--------|------------|
| Total Expected Gas Supply Cost | \$ | 15,486,492 |
| Total Expected Customer Deliveries: May 1, 2010 through July 31, 2010 | Mcf | 2,789,591 |
| Gas Supply Cost Per Mcf | \$/Mcf | 5.5515 |
| Gas Supply Cost Per 100 Cubic Feet | ¢/Ccf | 55.515 |

Gas Cost Actual Adjustment (GCAA) - See Exhibit B for Detail

| Description | Unit | Amount |
|--|-------|---------|
| Current Quarter Actual Adjustment Eff. May 1, 2010 (Case No. 2009-00248) | ¢/Ccf | 0.456 |
| Previous Quarter Actual Adjustment Eff. February 1, 2010 (Case No. 2009-00248) | ¢/Ccf | (1.197) |
| 2nd Previous Qrt. Actual Adjustment Eff. November 1, 2009 (Case No. 2009-00140) | ¢/Ccf | (1.521) |
| 3rd Previous Qrt. Actual Adjustment Eff. August 1, 2009 (Case No. 2008-00564) | ¢/Ccf | (2.420) |
| Total Gas Cost Actual Adjustment (GCAA) | ¢/Ccf | (4.682) |

Gas Cost Balance Adjustment (GCBA) - See Exhibit C for Detail

| Description | Unit | Amount |
|---|--------|-----------|
| Balance Adjustment Amount | \$ | (156,724) |
| Total Expected Customer Deliveries: May 1, 2010 through July 31, 2010 | Mcf | 2,789,591 |
| Gas Cost Balance Adjustment (GCBA) Per Mcf | \$/Mcf | 0.0562 |
| Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet | ¢/Ccf | 0.562 |

Refund Factors (RF) - See Exhibit D for Detail

| Description | Unit | Amount |
|---|-------|---------|
| Refund Factor Effective: | ¢/Ccf | (0.064) |
| Total Refund Factors Per 100 Cubic Feet | ¢/Ccf | (0.064) |

Performance-Based Rate Recovery Component (PBRRC) - See Exhibit E for Detail

| Description | Unit | Amount |
|---|-------|--------|
| Performance-Based Rate Recovery Component (PBRRC) | ¢/Ccf | 0.549 |
| Total of PBRRC Factors Per 100 Cubic Feet | ¢/Ccf | 0.549 |

Gas Supply Cost Component (GSCC) Effective May 1, 2010 through July 31, 2010

| Description | Unit | Amount |
|---|-------|---------------|
| Gas Supply Cost | ¢/Ccf | 55.515 |
| Gas Cost Actual Adjustment (GCAA) | ¢/Ccf | (4.682) |
| Gas Cost Balance Adjustment (GCBA) | ¢/Ccf | 0.562 |
| Refund Factors (RF) | ¢/Ccf | (0.064) |
| Performance-Based Rate Recovery Component (PBRRC) | ¢/Ccf | 0.549 |
| Total Gas Supply Cost Component (GSCC) | ¢/Ccf | 51.880 |

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From May 1, 2010 through July 31, 2010

| | | | | Total | |
|--------------|--|--------------|--------------|------------------|----------------|
| <u>MMBtu</u> | May | June | July | May10 thru Jul10 | |
| 1 | Expected Gas Supply Transported Under Texas' No-Notice Service | 1,283,839 | 1,409,009 | 1,807,432 | 4,500,280 |
| 2 | Expected Gas Supply Transported Under Texas' Rate FT | 310,000 | 300,000 | 310,000 | 920,000 |
| 3 | Expected Gas Supply Transported Under Texas' Rate STF | 307,000 | 540,000 | 558,000 | 1,405,000 |
| 4 | Expected Gas Supply Transported Under Tenn's Rate FT-A (Zone 0) | 0 | 1,200,000 | 1,240,000 | 2,440,000 |
| 5 | Expected Gas Supply Transported Under Tenn's Rate FT-A (Zone 1) | 0 | 0 | 0 | 0 |
| 6 | Total MMBtu Purchased | 1,900,839 | 3,449,009 | 3,915,432 | 9,265,280 |
| 7 | Plus: Withdrawals from Texas Gas' NNS Storage Service | 0 | 0 | 0 | 0 |
| 8 | Less: Injections into Texas Gas' NNS Storage Service | 852,500 | 855,000 | 155,000 | 1,862,500 |
| 9 | Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS) | 1,048,339 | 2,594,009 | 3,760,432 | 7,402,780 |
| | <u>Mcf</u> | | | | |
| 10 | Total Purchases in Mcf | 1,854,477 | 3,364,887 | 3,819,934 | |
| 11 | Plus: Withdrawals from Texas Gas' NNS Storage Service | 0 | 0 | 0 | |
| 12 | Less: Injections Texas Gas' NNS Storage Service | 831,707 | 834,146 | 151,220 | |
| 13 | Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS) | 1,022,770 | 2,530,741 | 3,668,714 | |
| 14 | Plus: Customer Transportation Volumes under Rate TS | 7,506 | 7,541 | 5,981 | |
| 15 | Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 13 + Line 14) | 1,030,276 | 2,538,282 | 3,674,695 | |
| 16 | Less: Purchases for Depts Other Than Gas Dept | 3 | 2,807 | 3 | |
| 17 | Less: Purchases Injected into LG&E's Underground Storage | 0 | 1,684,978 | 2,862,384 | |
| 18 | Mcf Purchases Expensed during Month (Line 13 - Line 16 - Line 17) | 1,022,767 | 842,956 | 806,327 | 2,672,050 |
| 19 | LG&E's Storage Inventory - Beginning of Month | 2,350,001 | 2,150,001 | 3,806,001 | |
| 20 | Plus: Storage Injections into LG&E's Underground Storage (Line 17) | 0 | 1,684,978 | 2,862,384 | |
| 21 | LG&E's Storage Inventory - Including Injections | 2,350,001 | 3,834,979 | 6,668,385 | |
| 22 | Less: Storage Withdrawals from LG&E's Underground Storage | 172,116 | 0 | 0 | 172,116 |
| 23 | Less: Storage Losses | 27,884 | 28,978 | 35,384 | 92,246 |
| 24 | LG&E's Storage Inventory - End of Month | 2,150,001 | 3,806,001 | 6,633,001 | |
| 25 | Mcf of Gas Supply Expensed during Month (Line 18 + Line 22 + Line 23) | 1,222,767 | 871,934 | 841,711 | 2,936,412 |
| | <u>Cost</u> | | | | |
| 26 | Total Demand Cost - Including Transportation (Line 15 x Line 48) | \$1,011,628 | \$2,492,339 | \$3,608,183 | |
| 27 | Less: Demand Cost Recovered thru Rate TS (Line 14 x Line 48) | 7,370 | 7,405 | 5,873 | |
| 28 | Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS | \$1,004,258 | \$2,484,934 | \$3,602,310 | |
| 29 | Commodity Costs - Gas Supply Under NNS (Line 1 x Line 49) | 5,344,750 | 5,970,253 | 7,833,230 | |
| 30 | Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 50) | 1,278,781 | 1,259,760 | 1,331,760 | |
| 31 | Commodity Costs - Gas Supply Under Rate STF (Line 3 x Line 51) | 1,275,861 | 2,284,200 | 2,414,354 | |
| 32 | Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 4 x Line 52) | 0 | 5,027,160 | 5,316,748 | |
| 33 | Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 5 x Line 53) | 0 | 0 | 0 | |
| 34 | Total Purchased Gas Cost | \$8,903,650 | \$17,026,307 | \$20,498,402 | \$46,428,359 |
| 35 | Plus: Withdrawals from NNS Storage (Line 7 x Line 49) | 0 | 0 | 0 | 0 |
| 36 | Less: Purchases Injected into NNS Storage (Line 8 x Line 49) | 3,549,043 | 3,622,806 | 671,755 | 7,843,604 |
| 37 | Total Cost of Gas Delivered to LG&E | \$5,354,607 | \$13,403,501 | \$19,826,647 | \$38,584,755 |
| 38 | Less: Purchases for Depts Other Than Gas Dept (Line 16 x Line 54) | 16 | 14,867 | 16 | 14,899 |
| 39 | Less: Purchases Injected into LG&E's Storage (Line 17 x Line 54) | 0 | 8,924,149 | 15,468,896 | 24,393,045 |
| 40 | Pipeline Deliveries Expensed During Month | \$5,354,591 | \$4,464,485 | \$4,357,735 | \$14,176,811 |
| 41 | LG&E's Storage Inventory - Beginning of Month | \$11,495,265 | \$10,516,945 | \$19,294,193 | |
| 42 | Plus: LG&E Storage Injections (Line 39 above) | 0 | 8,924,149 | 15,468,896 | |
| 43 | LG&E's Storage Inventory - Including Injections | \$11,495,265 | \$19,441,094 | \$34,763,089 | |
| 44 | Less: LG&E Storage Withdrawals (Line 22 x Line 55) | 841,923 | 0 | 0 | \$841,923 |
| 45 | Less: LG&E Storage Losses (Line 23 x Line 55) | 136,397 | 146,901 | 184,460 | 467,758 |
| 46 | LG&E's Storage Inventory - End of Month | \$10,516,945 | \$19,294,193 | \$34,578,629 | |
| 47 | Gas Supply Expenses (Line 40 + Line 44 + Line 45) | \$6,332,911 | \$4,611,386 | \$4,542,195 | \$15,486,492 |
| | <u>Unit Cost</u> | | | | |
| 48 | 12-Month Average Demand Cost - per Mcf (see Page 2) | \$0 9819 | \$0 9819 | \$0 9819 | |
| 49 | Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service | \$4 1631 | \$4 2372 | \$4 3339 | |
| 50 | Commodity Cost (per MMBtu) under Texas Gas's Rate FT | \$4 1251 | \$4 1992 | \$4 2960 | |
| 51 | Commodity Cost (per MMBtu) under Texas Gas's Rate STF | \$4 1559 | \$4 2300 | \$4 3268 | |
| 52 | Commodity Cost (per MMBtu) under Tenn Gas's Rate FT-A (Zone 0) | \$4 1140 | \$4 1893 | \$4 2877 | |
| 53 | Commodity Cost (per MMBtu) under Tenn Gas's Rate FT-A (Zone 1) | \$4 2486 | \$4 3234 | \$4 4210 | |
| 54 | Average Cost of Deliveries (Line 37 / Line 13) | \$5 2354 | \$5 2963 | \$5 4042 | |
| 55 | Average Cost of Inventory - Including Injections (Line 43 / Line 21) | \$4 8916 | \$5 0694 | \$5 2131 | |
| 56 | Total Expected Mcf Deliveries (Sales) to Customers (May 1, 2010 through July 31, 2010) | | | | 2,789,591 Mcf |
| 57 | Current Gas Supply Cost (Line 47 / Line 56) | | | | \$5,5515 / Mcf |

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From May 1, 2010 through July 31, 2010

Demand Billings:

| | | | | | | | |
|--|---|-----------|---|---------|-------|--------|--------------|
| Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge | (| \$12.7104 | x | 119,913 | MMBtu |) x 12 | \$18,289,706 |
| Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge | (| \$5.9992 | x | 10,000 | MMBtu |) x 12 | 719,904 |
| Texas Gas Firm Transportation (Rate STF) Monthly Demand Charge | (| \$6.2178 | x | 10,542 | MMBtu |) x 12 | 786,577 |
| Tenn. Gas Firm Transportation (Rate FT-A, 0-2) Monthly Demand Charge | (| \$6.4640 | x | 40,000 | MMBtu |) x 12 | 3,102,720 |
| Tenn. Gas Firm Transportation (Rate FT-A, 1-2) Monthly Demand Charge | (| \$6.4640 | x | 11,000 | MMBtu |) x 12 | 853,248 |
| Long-Term Firm Contracts with Suppliers (Annualized) | | | | | | | 9,646,577 |

ANNUAL DEMAND COSTS

\$33,398,732

Expected Annual Deliveries from Pipeline Transporters 34,864,932
(Including Transportation Under Rate TS) - MMBtu

Expected Annual Deliveries from Pipeline Transporters 34,014,568
(Including Transportation Under Rate TS) - Mcf

AVERAGE DEMAND COST PER MCF

0.9819

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
For The Three-Month Period From May 1, 2010 through July 31, 2010

Pipeline Supplier's Demand Component per Mcf \$0.9819

Refund Factor for Demand Portion of
Texas Gas Refund (see Exhibit D) (0.0064)

Performance Based Rate Recovery
Component (see Exhibit E) 0.0126

Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation 0.9881

Daily Demand Charge Component of Utilization Charge For Daily Imbalances under Rates FT and PS-FT

Design Day Requirements (in Mcf) 487,858

(Annual Demand Costs / Design Day Requirements / 365 Days) - 100% Load Factor Rate \$0.1876

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2010-00XXX

Gas Supply Cost Effective May 1, 2010

LG&E is served by Texas Gas Transmission, LLC (“TGT”) pursuant to the terms of transportation agreements under Rates NNS-4, FT-4, and STF-4, and by Tennessee Gas Pipeline Company (“TGPL”) pursuant to the terms of a transportation agreement under Rate FT-A-2.

Texas Gas Transmission, LLC

On August 28, 2009, TGT submitted tariff sheets to the FERC in Docket No. RP09-962 to implement a new ACA Unit Charge of \$0.0019/MMBtu. The tariffed rates otherwise applicable to LG&E remain unaltered from those set forth in FERC Docket RP08-392. That docket reflected a tariff reorganization by TGT and a restatement of rates previously in effect and approved by FERC.

Texas Gas’s No-Notice Service (NNS-4)

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 which become effective October 1, 2009, and will be applicable on and after May 1, 2010. The tariffed rates are as follows: (a) a daily demand charge of \$0.4190/MMBtu, and (b) a commodity charge of \$0.0633/MMBtu.

LG&E has negotiated rate agreements applicable to all three NNS service agreements that result in a monthly demand charge applicable to LG&E of \$12.7104/MMBtu and a volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0633/MMBtu.

Texas Gas’s Firm Transportation Service (FT-4)

On August 28, 2009, TGT submitted tariff sheets to the FERC in Docket No. RP09-962 to implement a new ACA Unit Charge of \$0.0019/MMBtu. The tariffed rates otherwise applicable to LG&E remain unaltered from those set forth in FERC Docket No. RP08-392. That docket reflected a tariff reorganization by TGT and a restatement of rates previously in effect and approved by FERC.

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 applicable on and after May 1, 2010. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges which became effective September 15, 2008. Page 3

contains the tariff sheet which sets forth the commodity charges which became effective October 1, 2009. The tariffed rates are follows: (a) a daily demand charge of \$0.3142/MMBtu, and (b) a commodity charge of \$0.0527/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$5.9992/MMBtu and an annual volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0219/MMBtu.

Texas Gas’s Short-Term Firm Service (STF-4)

On August 28, 2009, TGT submitted tariff sheets to the FERC in Docket No. RP09-962 to implement a new ACA Unit Charge of \$0.0019/MMBtu. The tariffed rates otherwise applicable to LG&E remain unaltered from those set forth in FERC Docket No. RP08-392. That docket reflected a tariff reorganization by TGT and a restatement of rates previously in effect and approved by FERC.

Attached hereto as Exhibit A-1 (a), Page 4, is the sheet for Short-Term Firm Service under Rate STF-4 which will be applicable on and after May 1, 2010, and which became effective September 15, 2008. The tariffed rates are as follows: for the winter season, (a) a daily demand charge of \$ \$0.4701/MMBtu, and (b) a commodity charge of \$0.0527/MMBtu; and for the summer season, (a) a daily demand charge of \$0.2042/MMBtu, and (b) a commodity charge of \$0.0527.

LG&E has negotiated rate agreements that result in the following charges: a weighted-average monthly demand charge of \$6.2178/MMBtu; a winter season commodity-only rate of \$0.5248/MMBtu and a summer season commodity rate of \$0.0527/MMBtu.

Tennessee Gas Pipeline Company

On August 31, 2009, TGPL filed tariff sheets at the FERC in Docket No. RP09-1000 to implement a new ACA Unit Charge of \$0.0019/MMBtu. The rates otherwise applicable to LG&E remain unchanged from those previously in effect and approved by FERC.

TGPL’s Firm Transportation Service (FT-A-2)

Attached hereto as Exhibit A-1 (a), Pages 5 and 6, are the tariff sheets for transportation service under Rate FT-4 applicable and effective on and after May 1, 2010. Page 5 contains the tariff sheet which sets forth the monthly demand charges effective July 1, 2008. Page 6 contains the tariff sheet which sets forth the commodity charges effective October 1, 2009. The tariffed rates are as follows for deliveries from Zone 0 to Zone 2: (a) a monthly demand charge of \$9.06/MMBtu, and (b) a commodity charge of \$0.0899/MMBtu. The tariffed rates are as

follows for deliveries from Zone 1 to Zone 2: (a) a monthly demand charge of \$7.62/MMBtu, and (b) a commodity charge of \$0.0795/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$6.4640/MMBtu and a volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0175/MMBtu, irrespective of the zone of receipt.

Gas Supply Costs

The New York Mercantile Exchange (“NYMEX”) natural gas futures prices as of March 29, 2010, are \$3.916/MMBtu for May, \$4.001/MMBtu for June, and \$4.101/MMBtu for July. The average of the NYMEX close and the six preceding trading days has been used as a general price indicator.

The wholesale natural gas market is not price-regulated and is subject to the forces of supply and demand, as well as psychological factors that can affect the market. Among the forces that are presumably affecting the price of natural gas are:

- National gas storage inventories are about 2% lower than at the same time last year;¹
- Although the price of oil (currently about \$82 per barrel) has increased from the lows of about \$31 per barrel observed in late December 2008, natural gas prices have not followed;
- The demand for natural gas in the industrial sector has decreased as a result of the current economic downturn, but an economic upturn could increase industrial demand and natural gas prices with it;
- A weakening dollar could cause investors to increase their position in commodities and thereby increase the price of natural gas;
- Weakness in U.S. gas prices relative to those in Europe has stemmed liquefied natural gas imports into the U.S., with only modest growth in LNG receipts expected;
- New domestic supplies from unconventional shale gas plays are coming on line;

¹ The weekly gas storage survey issued by the Energy Information Administration (“EIA”) for the week ending March 19, 2010, indicated that storage inventory levels were slightly lower than last year’s levels. Storage inventories across the nation are 28 Bcf (1,626 Bcf – 1,654 Bcf), or 2%, lower this year than the same period one year ago. Last year at this time, 1,654 Bcf was held in storage, while this year 1,626 Bcf is held in storage. Storage inventories across the nation are 121 Bcf (1,626 Bcf – 1,505 Bcf), or 8%, higher this year than the five-year average. On average for the last five years at this time, 1,505 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas tend to cause increases in the expected price of natural gas.

- New pipeline infrastructure is bringing new natural gas supplies to market;
- The impact on natural gas supply of the expected decline in natural gas drilling is uncertain, as is potential for increased demand for natural gas by gas-fired electric generators owing to the lower price of natural gas when compared to alternate fuel costs;
- Weather-driven demand (including demand from gas-fired generation to meet electric loads arising from hot weather) will be a driver in boosting the demand for natural gas during the summer storage refill season; and
- Potential supply disruptions during the upcoming hurricane season could boost prices.

During the three-month period under review, May 1, 2010 through July 31, 2010, LG&E estimates that its total purchases will be 7,402,780 MMBtu. LG&E expects that 2,637,780 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (4,500,280 MMBtu in pipeline deliveries less 1,862,500 MMBtu in net storage injections); 920,000 MMBtu will be met from deliveries under TGT's pipeline service under Rate FT; 1,405,000 MMBtu will be met from deliveries under TGT's pipeline service under Rate STF; 2,440,000 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0; 0 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 1.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the NNS service is expected to be \$3.9850 per MMBtu in May 2010, \$4.0570 in June 2010, and \$4.1510 in July 2010. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the FT service is expected to be \$3.9850 per MMBtu in May 2010, \$4.0570 in June 2010, and \$4.1510 in July 2010. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the STF service is expected to be \$3.9850 per MMBtu in May 2010, \$4.0570 in June 2010, and \$4.1510 in July 2010. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL under Rate FT-A from its Zone 0 is expected to be \$3.9150 per MMBtu in May 2010, \$3.9870 in June 2010, and \$4.0810 in July 2010, and the average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL from its Zone 1 is expected to be \$4.0750 per MMBtu in May 2010, \$4.1470 in June 2010, and \$4.2410 in July 2010.

Set forth below are the commodity costs as delivered to LG&E after giving effect to TGT's and TGPL's commodity charges for transporting the gas under Rates NNS, FT, STF, and FT-A and the applicable retention percentages:

RATE NNS
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE

| | <u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u> | <u>RATE NNS RETENTION (TO ZONE 4)</u> | <u>TRANSPORT CHARGE</u> | <u>TOTAL ESTIMATED DELIVERED PRICE</u> |
|----------|--|---|-----------------------------|--|
| May 2010 | \$3.9850 | 2.80% | \$0.0633 | \$4.1631 |
| June | \$4.0570 | 2.80% | \$0.0633 | \$4.2372 |
| July | \$4.1510 | 2.80% | \$0.0633 | \$4.3339 |

RATE FT
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S FIRM TRANSPORTATION SERVICE RATE

| | <u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u> | <u>RETENTION (ZONE 1 TO 4)</u> | <u>RATE FT TRANSPORT CHARGE</u> | <u>TOTAL ESTIMATED DELIVERED PRICE</u> |
|----------|--|--|---|--|
| May 2010 | \$3.9850 | 2.88% | \$0.0219 | \$4.1251 |
| June | \$4.0570 | 2.88% | \$0.0219 | \$4.1992 |
| July | \$4.1510 | 2.88% | \$0.0219 | \$4.2960 |

RATE STF
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S SHORT-TERM FIRM
TRANSPORTATION SERVICE RATE

| | <u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u> | <u>RETENTION (ZONE 1 TO 4)</u> | <u>RATE STF TRANSPORT CHARGE</u> | <u>TOTAL ESTIMATED DELIVERED PRICE</u> |
|----------|--|--|--|--|
| May 2010 | \$3.9850 | 2.88% | \$0.0527 | \$4.1559 |
| June | \$4.0570 | 2.88% | \$0.0527 | \$4.2300 |
| July | \$4.1510 | 2.88% | \$0.0527 | \$4.3268 |

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENNESSEE GAS'S FIRM
TRANSPORTATION SERVICE RATE

| | <u>ESTIMATED PRICE AS DELIVERED TO TENN. GAS</u> | <u>RETENTION (TO ZONE 2)</u> | <u>RATE FT-A TRANSPORT CHARGE</u> | <u>TOTAL ESTIMATED DELIVERED PRICE</u> |
|----------|--|----------------------------------|---|--|
| Zone 0 | | | | |
| May 2010 | \$3.9150 | 4.43% | \$0.0175 | \$4.1140 |
| June | \$3.9870 | 4.43% | \$0.0175 | \$4.1893 |
| July | \$4.0810 | 4.43% | \$0.0175 | \$4.2877 |
| Zone 1 | | | | |
| May 2010 | \$4.0750 | 3.69% | \$0.0175 | \$4.2486 |
| June | \$4.1470 | 3.69% | \$0.0175 | \$4.3234 |
| July | \$4.2410 | 3.69% | \$0.0175 | \$4.4210 |

The annual demand billings covering the 12 months from May 1, 2010 through April 30, 2011, for the firm contracts with natural gas suppliers are currently expected to be \$9,646,577.

Rate FT and Rate PS-FT

The demand-related supply costs applicable to the Daily Utilization Charge under Rates FT and PS-FT applicable during the three-month period of May 1, 2010 through July 31, 2010 are set forth on Exhibit A, Page 2.

Any revenue collected from the application of these charges will flow directly into the Gas Supply Cost Actual Adjustment ("GCAA") in future Gas Supply Clause filings. Therefore, the revenue collected through application of these charges will reduce the total Gas Supply Cost Component ("GSCC") charged to LG&E's sales customers.

Texas Gas Transmission, LLC
FERC Gas Tariff
Third Revised Volume No. 1

Second Revised Sheet No. 26
Superseding
First Revised Sheet No. 26

| Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service Under Rate Schedule NNS | | | |
|---|-----------------------------|--------------------|--|
| | Base Tariff Rates (1) | FERC ACA (2) | Currently Effective Rates (3) |
| Zone SL | | | |
| Daily Demand | 0.1800 | | 0.1800 |
| Commodity | 0.0253 | 0.0019 | 0.0272 |
| Overrun | 0.2053 | 0.0019 | 0.2072 |
| Zone 1 | | | |
| Daily Demand | 0.2782 | | 0.2782 |
| Commodity | 0.0431 | 0.0019 | 0.0450 |
| Overrun | 0.3213 | 0.0019 | 0.3232 |
| Zone 2 | | | |
| Daily Demand | 0.3088 | | 0.3088 |
| Commodity | 0.0460 | 0.0019 | 0.0479 |
| Overrun | 0.3548 | 0.0019 | 0.3567 |
| Zone 3 | | | |
| Daily Demand | 0.3543 | | 0.3543 |
| Commodity | 0.0490 | 0.0019 | 0.0509 |
| Overrun | 0.4033 | 0.0019 | 0.4052 |
| Zone 4 | | | |
| Daily Demand | 0.4190 | | 0.4190 |
| Commodity | 0.0614 | 0.0019 | 0.0633 |
| Overrun | 0.4804 | 0.0019 | 0.4823 |
| Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0163 | | | |
| | | Zone 1 0.0186 | |
| | | Zone 2 0.0223 | |
| | | Zone 3 0.0262 | |
| | | Zone 4 0.0308 | |
| Notes: | | | |
| - The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 16 of the General Terms and Conditions. | | | |
| - For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental transportation charge of: | | | |
| | Daily Demand | \$0.0621 | |
| | Commodity | \$0.0155 | |
| | Overrun | \$0.0776 | |
| This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS. | | | |
| - For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental transportation charge of: | | | |
| | Daily Demand | \$0.1288 | |
| | Commodity | \$0.0068 | |
| | Overrun | \$0.1356 | |
| These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS. | | | |

Texas Gas Transmission, LLC
FERC Gas Tariff
Third Revised Volume No. 1

Substitute Original Sheet No. 21

Currently Effective Maximum Daily Demand Rates (\$ per MMBtu)
For Service Under Rate Schedule FT

| | Currently Effective Rates [1] |
|-------|-------------------------------------|
| SL-SL | 0.0794 |
| SL-1 | 0.1552 |
| SL 2 | 0.2120 |
| SL-3 | 0.2494 |
| SL-4 | 0.3142 |
| 1-1 | 0.1252 |
| 1-2 | 0.1820 |
| 1-3 | 0.2194 |
| 1-4 | 0.2842 |
| 2-2 | 0.1332 |
| 2-3 | 0.1705 |
| 2-4 | 0.2334 |
| 3-3 | 0.1181 |
| 3-4 | 0.1810 |
| 4-4 | 0.1374 |

Minimum Rates: Demand \$-0-

Backhaul rates equal fronthaul rates to zone of delivery.

[1] Currently Effective Rates are equal to the Base Tariff Rates.

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 16 of the General Terms and Conditions.
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental Daily Demand charge of \$0.0621. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC Gas Tariff
Third Revised Volume No. 1

Second Revised Sheet No. 22
Superseding
First Revised Sheet No. 22

| Currently Effective Maximum Commodity Rates (\$ per MMBtu) For Service Under Rate Schedule FT | | | |
|--|-----------------------------|--------------------|--|
| | Base Tariff Rates (1) | FERC ACA (2) | Currently Effective Rates (3) |
| SL-SL | 0.0104 | 0.0019 | 0.0123 |
| SL 1 | 0.0355 | 0.0019 | 0.0374 |
| SL-2 | 0.0399 | 0.0019 | 0.0418 |
| SL-3 | 0.0445 | 0.0019 | 0.0464 |
| SL-4 | 0.0528 | 0.0019 | 0.0547 |
| 1-1 | 0.0337 | 0.0019 | 0.0356 |
| 1-2 | 0.0385 | 0.0019 | 0.0404 |
| 1-3 | 0.0422 | 0.0019 | 0.0441 |
| 1-4 | 0.0508 | 0.0019 | 0.0527 |
| 2-2 | 0.0323 | 0.0019 | 0.0342 |
| 2-3 | 0.0360 | 0.0019 | 0.0379 |
| 2-4 | 0.0446 | 0.0019 | 0.0465 |
| 3-3 | 0.0312 | 0.0019 | 0.0331 |
| 3-4 | 0.0398 | 0.0019 | 0.0417 |
| 4-4 | 0.0360 | 0.0019 | 0.0379 |

Minimum Rates: Commodity minimum base rates are presented on Sheet 32.

Backhaul rates equal fronthaul rates to zone of delivery.

Notes:

- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental Commodity charge of \$0.0155. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Commodity charge of \$0.0068. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC Gas Tariff
Third Revised Volume No. 1

Substitute Original Sheet No. 24

| Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service under Rate Schedule STF | | |
|--|-------------------------------|-------------------------------|
| | Peak (Winter)-Demand | Off-Peak (Summer)-Demand |
| | Currently Effective Rates [1] | Currently Effective Rates [1] |
| SL-SL | 0.1188 | 0.0516 |
| SL-1 | 0.2322 | 0.1009 |
| SL-2 | 0.3172 | 0.1378 |
| SL-3 | 0.3731 | 0.1621 |
| SL-4 | 0.4701 | 0.2042 |
| 1-1 | 0.1873 | 0.0814 |
| 1-2 | 0.2723 | 0.1183 |
| 1-3 | 0.3282 | 0.1426 |
| 1-4 | 0.4252 | 0.1847 |
| 2-2 | 0.1992 | 0.0866 |
| 2-3 | 0.2551 | 0.1108 |
| 2-4 | 0.3492 | 0.1517 |
| 3-3 | 0.1766 | 0.0768 |
| 3-4 | 0.2707 | 0.1177 |
| 4-4 | 0.2056 | 0.0893 |

Notes:

- The STF commodity rate is the applicable FT commodity rate on Sheet No. 22. The STF overrun rate equals the daily demand rate plus applicable FT commodity rate. Minimum rate: Demand \$-0- The minimum commodity rate is presented on Sheet 32.
- For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, Customer shall pay an incremental Daily Demand charge of \$0.0621. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

TENNESSEE GAS PIPELINE COMPANY
FERC Gas Tariff
FIFTH REVISED VOLUME NO. 1

Twenty-Sixth Revised Sheet No. 23
Superseding
Twenty-Fifth Revised Sheet No. 23

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | | |
|--------------|---------------|--------|---------|---------|---------|---------|---------|---------|--|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 | |
| 0 | \$3.10 | | \$6.45 | \$9.06 | \$10.53 | \$12.22 | \$14.09 | \$16.59 | |
| L | | \$2.71 | | | | | | | |
| 1 | \$6.66 | | \$4.92 | \$7.62 | \$9.08 | \$10.77 | \$12.64 | \$15.15 | |
| 2 | \$9.06 | | \$7.62 | \$2.86 | \$4.32 | \$6.32 | \$7.89 | \$10.39 | |
| 3 | \$10.53 | | \$9.08 | \$4.32 | \$2.05 | \$6.08 | \$7.64 | \$10.14 | |
| 4 | \$12.53 | | \$11.08 | \$6.32 | \$6.08 | \$2.71 | \$3.38 | \$5.89 | |
| 5 | \$14.09 | | \$12.64 | \$7.89 | \$7.64 | \$3.38 | \$2.85 | \$4.93 | |
| 6 | \$16.59 | | \$15.15 | \$10.39 | \$10.14 | \$5.89 | \$4.93 | \$3.16 | |

Surcharges

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | | |
|--------------------|---------------|--------|--------|--------|--------|--------|--------|--------|--|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 | |
| PCB Adjustment: 1/ | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | |
| L | | \$0.00 | | | | | | | |
| 1 | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | |
| 2 | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | |
| 3 | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | |
| 4 | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | |
| 5 | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | |
| 6 | \$0.00 | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | |

Maximum Reservation Rates 2/

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | | |
|--------------|---------------|--------|---------|---------|---------|---------|---------|---------|--|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 | |
| 0 | \$3.10 | | \$6.45 | \$9.06 | \$10.53 | \$12.22 | \$14.09 | \$16.59 | |
| L | | \$2.71 | | | | | | | |
| 1 | \$6.66 | | \$4.92 | \$7.62 | \$9.08 | \$10.77 | \$12.64 | \$15.15 | |
| 2 | \$9.06 | | \$7.62 | \$2.86 | \$4.32 | \$6.32 | \$7.89 | \$10.39 | |
| 3 | \$10.53 | | \$9.08 | \$4.32 | \$2.05 | \$6.08 | \$7.64 | \$10.14 | |
| 4 | \$12.53 | | \$11.08 | \$6.32 | \$6.08 | \$2.71 | \$3.38 | \$5.89 | |
| 5 | \$14.09 | | \$12.64 | \$7.89 | \$7.64 | \$3.38 | \$2.85 | \$4.93 | |
| 6 | \$16.59 | | \$15.15 | \$10.39 | \$10.14 | \$5.89 | \$4.93 | \$3.16 | |

Minimum Base Reservation Rates The minimum FT-A Reservation Rate is \$0.00 per Dth

Notes:

- 1/ PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000, was revised and the PCB Adjustment Period has been extended until June 30, 2010 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.
- 2/ Maximum rates are inclusive of base rates and above surcharges.

TENNESSEE GAS PIPELINE COMPANY
FERC Gas Tariff
FIFTH REVISED VOLUME NO. 1

Twenty-First Revised Sheet No. 23A
Superseding
Twentieth Revised Sheet No. 23A

RATES DEP DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | |
|-----------------|---------------|----------|----------|----------|----------|----------|----------|----------|
| | C | L | 1 | 2 | 3 | 4 | 5 | 6 |
| 0 | \$0.0439 | | \$0.0669 | \$0.0880 | \$0.0978 | \$0.1118 | \$0.1231 | \$0.1608 |
| L | | \$0.0286 | | | | | | |
| 1 | \$0.0669 | | \$0.0572 | \$0.0776 | \$0.0874 | \$0.1014 | \$0.1126 | \$0.1503 |
| 2 | \$0.0880 | | \$0.0776 | \$0.0933 | \$0.0530 | \$0.0681 | \$0.0783 | \$0.1159 |
| 3 | \$0.0978 | | \$0.0874 | \$0.0530 | \$0.0366 | \$0.0663 | \$0.0765 | \$0.1142 |
| 4 | \$0.1126 | | \$0.1025 | \$0.0661 | \$0.0663 | \$0.0401 | \$0.0459 | \$0.0834 |
| 5 | \$0.1231 | | \$0.1126 | \$0.0783 | \$0.0765 | \$0.0459 | \$0.0427 | \$0.0765 |
| 6 | \$0.1608 | | \$0.1503 | \$0.1159 | \$0.1142 | \$0.0834 | \$0.0765 | \$0.0642 |

Minimum
Commodity Rates 2/

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | |
|-----------------|---------------|----------|----------|----------|----------|----------|----------|----------|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 |
| 0 | \$0.0026 | | \$0.0096 | \$0.0161 | \$0.0191 | \$0.0233 | \$0.0268 | \$0.0326 |
| L | | \$0.0034 | | | | | | |
| 1 | \$0.0096 | | \$0.0067 | \$0.0129 | \$0.0159 | \$0.0202 | \$0.0236 | \$0.0294 |
| 2 | \$0.0161 | | \$0.0129 | \$0.0024 | \$0.0054 | \$0.0100 | \$0.0131 | \$0.0189 |
| 3 | \$0.0191 | | \$0.0159 | \$0.0054 | \$0.0004 | \$0.0095 | \$0.0126 | \$0.0184 |
| 4 | \$0.0233 | | \$0.0205 | \$0.0100 | \$0.0095 | \$0.0015 | \$0.0032 | \$0.0090 |
| 5 | \$0.0268 | | \$0.0236 | \$0.0131 | \$0.0126 | \$0.0032 | \$0.0022 | \$0.0069 |
| 6 | \$0.0326 | | \$0.0294 | \$0.0189 | \$0.0184 | \$0.0090 | \$0.0069 | \$0.0031 |

Maximum
Commodity Rates 1/, 2/

| RECEIPT ZONE | DELIVERY ZONE | | | | | | | |
|-----------------|---------------|----------|----------|----------|----------|----------|----------|----------|
| | 0 | L | 1 | 2 | 3 | 4 | 5 | 6 |
| 0 | \$0.0458 | | \$0.0688 | \$0.0899 | \$0.0997 | \$0.1137 | \$0.1250 | \$0.1627 |
| L | | \$0.0305 | | | | | | |
| 1 | \$0.0688 | | \$0.0591 | \$0.0795 | \$0.0893 | \$0.1033 | \$0.1145 | \$0.1522 |
| 2 | \$0.0899 | | \$0.0795 | \$0.0452 | \$0.0549 | \$0.0700 | \$0.0802 | \$0.1178 |
| 3 | \$0.0997 | | \$0.0893 | \$0.0549 | \$0.0385 | \$0.0682 | \$0.0784 | \$0.1161 |
| 4 | \$0.1148 | | \$0.1044 | \$0.0700 | \$0.0682 | \$0.0420 | \$0.0478 | \$0.0853 |
| 5 | \$0.1250 | | \$0.1145 | \$0.0802 | \$0.0784 | \$0.0478 | \$0.0446 | \$0.0784 |
| 6 | \$0.1627 | | \$0.1522 | \$0.1178 | \$0.1161 | \$0.0853 | \$0.0784 | \$0.0661 |

Notes:

1/ The above maximum rates include a per Dth charge for:
(ACA Annual Charge Adjustment) \$0.0019

2/ The applicable fuel retention percentages are listed on Sheet No. 29, provided that for service rendered solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2010-00XXX

Calculation of Gas Cost Actual Adjustment (GCAA)

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of under-recovery from Case Number 2009-00395 during the three-month period of November 1, 2009 through January 31, 2010, was \$1,443,314. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a collection of 0.456¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after May 1, 2010, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from November 2009 through January 2010. [Please note that the names of the suppliers have been redacted from this page, in accordance with LG&E's petition for confidentiality filed this quarter.]

Also in this filing, LG&E will be eliminating the GCAA from Case 2008-00430, with service rendered through April 30, 2010, which will have been in effect for twelve months. Any over or under recovery of the amount originally established in this GCAA will be transferred to the Gas Cost Balance Adjustment (GCBA) which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after the month of August 2010.

Therefore, the Gas Cost Actual Adjustment will be as follows:

| | |
|--|--------------------------|
| Current Quarter Actual Adjustment: | |
| Effective May 1, 2010 from 2009-00395 | 0.456 cents/Ccf |
| Previous Quarter Actual Adjustment: | |
| Effective February 1, 2010 from 2009-00248 | (1.197) cents/Ccf |
| 2nd Previous Quarter Actual Adjustment: | |
| Effective November 1, 2009 from 2009-00140 | (1.521) cents/Ccf |
| 3rd Previous Quarter Actual Adjustment: | |
| Effective August 1, 2009 from 2008-00564 | (2.420) cents/Ccf |
| Total Gas Cost Actual Adjustment (GCAA) | (4.682) cents/Ccf |

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Gas Cost Actual Adjustment
 Which Compensates for Over- or Under-
 Recoveries of Gas Supply Costs

| Start Date | End Date | Case Number | Total Dollars of Gas Cost Recovered ¹ | Actual Gas Supply Costs | | Over Or (Under) Recovery (1) - (2) | Expected Mcf Sales for 12-Month Period From Date Implemented | Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries | | | |
|------------|----------|--------------------------|--|--|--|------------------------------------|--|--|--------------|----------------------|--------------------------------------|
| | | | | Gas Supply Cost Per Books ² | Gas Supply Cost Per Books ² | | | GCAA Per 100 Cu. Ft. | GCAA Per Mcf | GCAA Per 100 Cu. Ft. | Implemented With Service Rendered On |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| Nov-2004 | Jan-2005 | 1 (Case No. 2004-00390) | 121,366,510 | 128,832,748 | 7,466,238 | 36,421,319 | \$0.2050 | \$0.02050 | \$0.02050 | 5/1/2005 | |
| Feb-2005 | Apr-2005 | 2 (Case No. 2004-00526) | 97,013,157 | 96,350,924 | 662,233 | 36,428,002 | (\$0.0182) | (\$0.0182) | (\$0.0182) | 8/1/2005 | |
| May-2005 | Jul-2005 | 3 (Case No. 2005-00143) | 31,352,437 | 29,163,240 | 2,189,197 | 35,923,358 | (\$0.0609) | (\$0.0609) | (\$0.0609) | 11/1/2005 | |
| Aug-2005 | Oct-2005 | 4 (Case No. 2005-00274) | 26,937,216 | 45,136,099 | (18,198,883) | 36,264,049 | \$0.5018 | \$0.05018 | \$0.05018 | 2/1/2006 | |
| Nov-2005 | Jan-2006 | 5 (Case No. 2005-00401) | 195,225,843 | 176,113,181 | 19,112,662 | 36,235,391 | (\$0.5275) | (\$0.5275) | (\$0.5275) | 5/1/2006 | |
| Feb-2006 | Apr-2006 | 6 (Case No. 2006-00005) | 118,813,736 | 99,908,070 | 18,905,666 | 36,234,450 | (\$0.0029) | (\$0.0029) | (\$0.0029) | 8/1/2006 | |
| May-2006 | Jul-2006 | 7 (Case No. 2006-00138) | 25,653,769 | 25,555,064 | 98,705 | 33,519,195 | (\$0.0927) | (\$0.0927) | (\$0.0927) | 11/1/2006 | |
| Aug-2006 | Oct-2006 | 8 (Case No. 2006-00335) | 30,851,071 | 27,737,106 | 3,113,965 | 33,575,288 | \$0.1199 | \$0.01199 | \$0.01199 | 2/1/2007 | |
| Nov-2006 | Jan-2007 | 9 (Case No. 2006-00431) | 117,566,789 | 121,616,960 | (4,050,171) | 33,784,429 | \$0.3909 | \$0.03909 | \$0.03909 | 5/1/2007 | |
| Feb-2007 | Apr-2007 | 10 (Case No. 2007-00001) | 96,196,128 | 109,420,254 | (13,224,126) | 33,829,123 | (\$0.1141) | (\$0.1141) | (\$0.1141) | 8/1/2007 | |
| May-2007 | Jul-2007 | 11 (Case No. 2007-00141) | 25,771,197 | 22,055,021 | 3,716,176 | 32,562,833 | (\$0.1502) | (\$0.1502) | (\$0.1502) | 11/1/2007 | |
| Aug-2007 | Oct-2007 | 12 (Case No. 2007-00267) | 27,831,017 | 22,940,375 | 4,890,642 | 32,561,210 | \$0.2293 | \$0.2293 | \$0.2293 | 2/1/2008 | |
| Nov-2007 | Jan-2008 | 13 (Case No. 2007-00428) | 131,149,323 | 138,564,724 | (7,415,401) | 32,334,823 | \$0.5053 | \$0.05053 | \$0.05053 | 5/1/2008 | |
| Feb-2008 | Apr-2008 | 14 (Case No. 2007-00559) | 103,258,883 | 119,589,310 | (16,330,427) | 32,320,126 | \$0.3024 | \$0.3024 | \$0.3024 | 8/1/2008 | |
| May-2008 | Jul-2008 | 15 (Case No. 2008-00117) | 33,383,585 | 42,952,739 | (9,569,154) | 31,639,729 | (\$0.6716) | (\$0.6716) | (\$0.6716) | 11/1/2008 | |
| Aug-2008 | Oct-2008 | 16 (Case No. 2008-00246) | 50,053,758 | 28,898,124 | 21,155,634 | 31,498,657 | (\$0.3783) | (\$0.3783) | (\$0.3783) | 2/1/2009 | |
| Nov-2008 | Jan-2009 | 17 (Case No. 2008-00430) | 160,934,391 | 149,043,803 | 11,890,588 | 31,428,998 | (\$0.2420) | (\$0.2420) | (\$0.2420) | 5/1/2009 | |
| Feb-2009 | Apr-2009 | 18 (Case No. 2008-00564) | 95,581,282 | 87,981,656 | 7,599,626 | 31,397,214 | (\$0.1521) | (\$0.1521) | (\$0.1521) | 8/1/2009 | |
| May-2009 | Jul-2009 | 19 (Case No. 2009-00140) | 15,921,233 | 11,144,190 | 4,777,043 | 31,406,285 | (\$0.1197) | (\$0.1197) | (\$0.1197) | 11/1/2009 | |
| Aug-2009 | Oct-2009 | 20 (Case No. 2009-00248) | 18,715,652 | 14,915,016 | 3,800,636 | 31,751,457 | \$0.0456 | \$0.0456 | \$0.0456 | 2/1/2010 | |
| Nov-2009 | Jan-2010 | 21 (Case No. 2009-00395) | 97,434,409 | 98,877,723 | (1,443,314) | 31,630,904 | | | | 5/1/2010 | |

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Gas Costs Recovered
 Under Company's Gas Supply Clause

| | Monthly Mcf Sales ¹ | August 1, 2008 through October 31, 2008 | November 1, 2008 through January 31, 2009 | February 1, 2009 through April 30, 2009 | May 1, 2009 through July 31, 2009 | August 1, 2009 through October 31, 2009 | November 1, 2009 through January 31, 2010 |
|----|---|---|---|---|---|---|---|
| 1 | AUG | 754,483 | | | | | |
| 2 | SEPT | 762,512 | | | | | |
| 3 | OCT | 878,606 | | | | | |
| 4 | NOV | 2,158,532 | 1,038,797 | | | | |
| 5 | DEC | 5,214,230 | 5,214,230 | | | | |
| 6 | 2009 JAN | 6,465,823 | 6,465,823 | 2,730,927 | | | |
| 7 | FEB | 5,911,463 | 4,228,050 | 4,228,050 | 528,959 | | |
| 8 | MAR | 4,228,050 | 2,732,278 | 836,448 | 970,692 | | |
| 9 | APR | 2,732,278 | | | 742,923 | | |
| 10 | MAY | 1,365,407 | | | 363,582 | | |
| 11 | JUN | 970,692 | | | | | |
| 12 | JULY | 742,923 | | | | 384,062 | |
| 13 | AUG | 747,644 | | | | 721,539 | |
| 14 | SEP | 721,539 | | | | 1,081,546 | 847,608 |
| 15 | OCT | 1,081,546 | | | | 1,109,292 | 4,083,605 |
| 16 | NOV | 1,956,901 | | | | | 6,833,709 |
| 17 | DEC | 4,083,605 | | | | | 3,441,834 |
| 18 | 2010 JAN | 6,933,709 | | | | | |
| 19 | FEB | 6,580,311 | | | | | |
| 20 | Applicable Mcf Sales During 3 Month Period | 3,162,873 | 15,899,387 | 10,527,702 | 2,606,156 | 3,296,439 | 15,306,756 |
| 21 | Gas Supply Clause Case No. | 2008-00246 | 2008-00430 | 2008-00564 | 2009-00140 | 2009-00248 | 2009-00395 |
| 22 | Gas Supply Cost Recovered Per Mcf Sold | \$ 15.6996 | \$ 10.1049 | \$ 9.0631 | \$ 6.0513 | \$ 5.6182 | \$ 6.2628 |
| 23 | Dollars of Recovery Under GSC | \$ 49,655,847 | \$ 160,661,715 | \$ 95,413,619 | \$ 15,770,629 | \$ 18,520,052 | \$ 95,863,150 |
| 24 | Total Dollars Recovered During 3-Month Period | | | | | | |
| 25 | Mcf of Customer-Owned Gas Transported Under Rate TS | 9,189 | 17,599 | 17,368 | 19,652 | 18,713 | 6,230 |
| 26 | Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period | | | | | | |
| 27 | Pipeline Suppliers' Demand Component Per Mcf | 0.9648 | 0.9864 | 0.9926 | 0.9946 | 0.9958 | 0.9732 |
| 28 | Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27) | \$ 8,865 | \$ 17,359 | \$ 17,240 | \$ 19,545 | \$ 18,634 | \$ 6,063 |
| 29 | Dollars of Recovery Under Rate FT (See Ex B-1, Page 3) | \$ 389,046 | \$ 255,317 | \$ 150,423 | \$ 131,059 | \$ 176,966 | \$ 325,650 |
| 30 | Revenues from Off-system Sales | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,239,545 |
| 31 | Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30) | \$ 50,053,758 | \$ 160,934,391 | \$ 95,581,282 | \$ 15,921,233 | \$ 18,715,652 | \$ 97,434,409 |

1. Monthly Mcf Sales include volumes for Natural Gas Vehicles (NGVs).

LOUISVILLE GAS AND ELECTRIC COMPANY
Summary of Gas Costs Recovered
Under Provisions of Rate FT

| (1) Billing Month | (2) Case Number | (3) UCDI Demand Chrg / Mcf | (4) Seasonal RBS Demand Chrg / Mcf | (5) RBS Demand Chrg / Mcf | (6) Cash-Out Sales (Mcf) | (7) Cash-Out Sales (\$) | (8) MMBTU Adjust. (Mcf) | (9) MMBTU Adjust. (\$) | (10) UCDI Mcf | (11) UCDI \$ [(3) x (10)] | (12) Seasonal RBS Mcf [(4) x (12)] | (13) Seasonal RBS \$ [(4) x (12)] | (14) RBS Mcf | (15) RBS \$ [(5) x (14)] | (16) OFO \$ | (17) Monthly \$'s Recovered [(7)+(9)+(11) - *(13)-(15)-(16)] |
|----------------------|--------------------|-------------------------------|---------------------------------------|------------------------------|-----------------------------|----------------------------|----------------------------|---------------------------|------------------|------------------------------|---------------------------------------|--------------------------------------|-----------------|-----------------------------|----------------|---|
| 2007 Nov | 2007-00428 | 0.2176 | 0 | \$6.62 | 37,813.1 | \$313,011.02 | (94.0) | \$ (758.09) | 142,109.4 | \$30,923.01 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$343,175.94 |
| 2007 Dec | 2007-00428 | 0.2176 | 0 | \$6.62 | 15,174.3 | \$123,893.07 | (190.0) | \$ (1,368.00) | 156,529.3 | \$34,060.78 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$36,486.90 | \$193,072.75 |
| 2008 Jan | 2007-00428 | 0.2176 | 0 | \$6.62 | 9,718.1 | \$88,833.46 | (129.0) | \$ (992.66) | 276,318.0 | \$60,126.80 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$198,253.50 | \$546,221.10 |
| | | | | | | | | | | | | | | | \$234,740.40 | \$882,469.78 |
| 2008 Feb | 2007-00559 | 0.2115 | 0 | \$6.43 | 1,540.1 | \$27,701.32 | 2,357.0 | \$ 19,961.09 | 147,843.4 | \$31,268.88 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$78,931.29 |
| 2008 Mar | 2007-00559 | 0.2115 | 0 | \$6.43 | 2,436.2 | \$25,806.10 | 2,725.0 | \$ 26,825.16 | 111,721.1 | \$23,629.01 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$1,076.74 | \$77,337.01 |
| 2008 Apr | 2007-00559 | 0.2115 | 0 | \$6.43 | 715.3 | \$8,661.06 | 1,700.0 | \$ 17,284.69 | 107,325.7 | \$22,699.39 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$46,645.14 |
| | | | | | | | | | | | | | | | \$1,076.74 | \$204,913.44 |
| 2008 May | 2008-00117 | 0.2115 | 0 | \$6.43 | 944.8 | \$12,353.88 | 1,411.0 | \$ 15,546.32 | 71,617.5 | \$15,147.10 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$43,047.30 |
| 2008 Jun | 2008-00117 | 0.2115 | 0 | \$6.43 | 4,763.5 | \$78,387.27 | 428.0 | \$ 5,139.10 | 52,065.2 | \$11,011.79 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$94,518.16 |
| 2008 Jul | 2008-00117 | 0.2115 | 0 | \$6.43 | 4,633.0 | \$70,866.81 | 234.0 | \$ 2,392.72 | 61,706.6 | \$13,050.95 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$96,310.48 |
| | | | | | | | | | | | | | | | \$0.00 | \$223,875.95 |
| 2008 Aug | 2008-00246 | 0.2115 | 0 | \$6.43 | - | \$360.00 | 608.0 | \$ 4,945.30 | 70,548.7 | \$14,921.05 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$2,589.51 | \$22,815.86 |
| 2008 Sept | 2008-00246 | 0.2115 | 0 | \$6.43 | 784.5 | \$7,117.42 | 965.0 | \$ 7,167.76 | 78,910.2 | \$16,689.51 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$7,109.59 | \$36,084.28 |
| 2008 Oct | 2008-00246 | 0.2115 | 0 | \$6.43 | 36,041.0 | \$297,183.65 | 1,166.0 | \$ 8,623.96 | 105,618.0 | \$22,338.21 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$9,699.10 | \$328,145.82 |
| | | | | | | | | | | | | | | | \$0.00 | \$389,045.95 |
| 2008 Nov | 2008-00430 | 0.2125 | 0 | \$6.47 | 14,111.8 | \$105,444.45 | 1,095.0 | \$ 7,871.68 | 113,556.9 | \$24,152.09 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$138,468.22 |
| 2008 Dec | 2008-00430 | 0.2125 | 0 | \$6.47 | 670.5 | \$4,986.45 | 827.0 | \$ 4,821.87 | 106,667.9 | \$22,666.93 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$32,475.25 |
| 2009 Jan | 2008-00430 | 0.2125 | 0 | \$6.47 | 5,065.1 | \$39,453.04 | 1,291.0 | \$ 7,245.48 | 156,338.6 | \$33,221.95 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$4,452.63 | \$84,373.10 |
| | | | | | | | | | | | | | | | \$4,452.63 | \$255,316.57 |
| 2009 Feb | 2008-00564 | 0.2128 | 0 | \$6.47 | 5,424.7 | \$33,816.78 | 3,097.0 | \$ 15,459.65 | 125,374.3 | \$26,679.65 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$75,956.08 |
| 2009 Mar | 2008-00564 | 0.2128 | 0 | \$0.00 | 1,279.9 | \$6,602.77 | 2,500.0 | \$ 11,516.64 | 95,328.3 | \$20,286.08 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$38,405.49 |
| 2009 Apr | 2008-00564 | 0.2128 | 0 | \$0.00 | 2,710.1 | \$11,834.10 | 1,207.0 | \$ 4,532.46 | 92,552.1 | \$19,695.09 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$36,061.65 |
| | | | | | | | | | | | | | | | \$0.00 | \$150,423.21 |
| 2009 May | 2009-00140 | 0.1928 | 0 | \$0.00 | 3,889.7 | \$18,545.73 | - | \$ - | 56,224.7 | \$10,840.12 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$29,386.85 |
| 2009 Jun | 2009-00140 | 0.1928 | 0 | \$0.00 | 5,387.0 | \$24,707.84 | - | \$ - | 62,931.2 | \$12,133.14 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$36,840.98 |
| 2009 Jul | 2009-00140 | 0.1928 | 0 | \$0.00 | 14,081.1 | \$54,957.58 | - | \$ - | 51,217.7 | \$9,874.77 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$64,832.35 |
| | | | | | | | | | | | | | | | \$0.00 | \$131,059.18 |
| 2009 Aug | 2009-00248 | 0.1928 | 0 | \$0.00 | 2,985.6 | \$11,748.33 | - | \$ - | 53,754.8 | \$10,363.93 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$22,112.26 |
| 2009 Sept | 2009-00248 | 0.1928 | 0 | \$0.00 | 18,592.6 | \$68,106.52 | - | \$ - | 72,007.5 | \$13,883.05 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$81,989.57 |
| 2009 Oct | 2009-00248 | 0.1928 | 0 | \$0.00 | 10,618.5 | \$57,695.26 | - | \$ - | 78,674.6 | \$15,168.46 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$72,863.72 |
| | | | | | | | | | | | | | | | \$0.00 | \$176,965.54 |
| 2009 Nov | 2009-00395 | 0.1881 | 0 | \$0.00 | 23,838.0 | \$122,061.68 | - | \$ - | 71,325.9 | \$13,416.40 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$0.00 | \$135,478.08 |
| 2009 Dec | 2009-00395 | 0.1881 | 0 | \$0.00 | 6,173.7 | \$40,850.44 | - | \$ - | 144,974.3 | \$27,269.67 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$34,054.51 | \$102,174.62 |
| 2010 Jan | 2009-00395 | 0.1881 | 0 | \$0.00 | 3,149.3 | \$23,558.22 | - | \$ - | 241,561.2 | \$45,456.47 | 0.0 | \$0.00 | 0.00 | \$0.00 | \$18,982.74 | \$87,997.43 |
| | | | | | | | | | | | | | | | \$53,037.25 | \$325,650.13 |

Note: Should a Customer served under Rate FT under-nominate its monthly gas supply needs, a Cash-Out Sale is made to the Customer. This sale, which is based upon the cash-out price established in Rate FT, is also flowed through the GCAA as revenue.

Note: Changes in billings of the Cash-out Provision caused by variations in the MMBTU content of the gas are corrected on the following month's bill. Should such change occur as a charge to the customer, such revenue is flowed through the GCAA.

Note: Effective February 6, 2009, Rate RBS was eliminated per PSC Order dated February 5, 2009, in Case No. 2008-00252

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

| | MCF | | | | DOLLARS | | | | Plus: | | | | Total |
|--|---------------|---|---------------------------------------|----------------------------------|------------------------|-----------------------------|-----------------------------|---|---------------------------------------|------------------------------------|---------------------|-----------------------------------|--------------------|
| | Mcf Purchases | Purchases for Depls. other Than Gas Dept. | Less: Purchases Injected Into Storage | Plus: Mcf Withdrawn From Storage | Mcf Sendout (Gas Dept) | Purchased Gas Costs for OSS | Purchased Gas Costs for OSS | Less: Purchases for Non-Gas Departments | Less: Purchases Injected Into Storage | Cost of Gas Withdrawn From Storage | Plus Storage Losses | Plus: Other Gas Purchase Expenses | Gas Supply Cost |
| November | 3,043,907 | 0 | (43,219) | 715,542 | 3,633,120 | 25,955,545 | 0 | (369,350) | (1,034,284) | 5,155,623 | 273,862 | 9,606 | 29,991,003 |
| December | 3,087,783 | 0 | (52,844) | 2,406,730 | 5,399,453 | 27,502,731 | 0 | (464,468) | (687,383) | 17,364,076 | 251,118 | 9,967 | 43,976,042 |
| January | 4,004,398 | 777,550 | (69,998) | 3,315,463 | 8,060,143 | 35,395,408 | 5,667,051 | (621,081) | (71,575) | 23,924,381 | 294,550 | 8,945 | 64,597,678 |
| Total November 2007 thru January 2008 | | | | | 17,092,716 | | | | | | | | 138,564,724 |
| February | 3,542,768 | 98,373 | (61,790) | 2,729,438 | 6,300,572 | 34,245,510 | 801,614 | (596,837) | (412,001) | 19,731,653 | 248,612 | 8,343 | 54,026,895 |
| March | 2,679,353 | 0 | (93,561) | 1,923,034 | 4,538,192 | 29,309,488 | 0 | (989,829) | 0 | 13,901,805 | 212,290 | 6,564 | 42,440,318 |
| April | 1,220,252 | 0 | (62,351) | 947,762 | 2,130,308 | 16,953,378 | 0 | (866,384) | 0 | 6,851,466 | 178,161 | 5,476 | 23,122,097 |
| Total February 2008 thru April 2008 | | | | | 12,969,072 | | | | | | | | 119,589,310 |
| May | 1,081,443 | 0 | (209) | 103,443 | 1,211,332 | 17,879,722 | 0 | (3,416) | 0 | 747,810 | 192,694 | 4,184 | 18,820,994 |
| June | 2,440,847 | 0 | (1,257) | 537 | 851,786 | 37,956,889 | 0 | (14,816) | (25,130,936) | 5,809 | 307,683 | 3,451 | 13,128,086 |
| July | 3,710,065 | 0 | (2) | 356 | 849,754 | 48,406,651 | 0 | (25) | (37,826,148) | 4,201 | 413,376 | 5,604 | 11,003,659 |
| Total May 2008 thru July 2008 | | | | | 2,912,872 | | | | | | | | 42,952,739 |
| August | 3,698,782 | 0 | (3) | 375 | 827,253 | 34,917,638 | 0 | (29) | (27,496,197) | 4,154 | 453,973 | 3,957 | 7,883,496 |
| September | 3,526,849 | 0 | (394) | 520 | 870,041 | 30,073,443 | 0 | (6,243) | (23,003,114) | 5,463 | 469,713 | 7,574 | 7,546,836 |
| October | 3,643,764 | 0 | (4) | 654 | 1,700,406 | 28,557,376 | 0 | (65) | (15,537,312) | 6,624 | 435,627 | 5,533 | 13,467,793 |
| Total August 2008 thru October 2008 | | | | | 3,397,700 | | | | | | | | 28,898,124 |
| November | 3,360,639 | 0 | (77) | 788,995 | 4,027,760 | 26,556,827 | 0 | (553) | (1,348,069) | 7,969,639 | 483,424 | 4,898 | 33,676,164 |
| December | 4,024,211 | 0 | (5,141) | 2,348,926 | 6,269,119 | 31,234,943 | 0 | (38,091) | (1,126,144) | 23,667,309 | 467,084 | 7,403 | 54,212,503 |
| January | 4,711,774 | 0 | (3,708) | 2,812,322 | 7,562,626 | 32,412,618 | 0 | (25,728) | 0 | 28,336,394 | 425,582 | 6,270 | 61,155,136 |
| Total November 2008 thru January 2009 | | | | | 17,859,505 | | | | | | | | 149,043,803 |
| February | 2,576,368 | 0 | (177) | 2,664,440 | 5,276,593 | 16,099,987 | 0 | (1,535) | 0 | 26,846,365 | 362,346 | (313) | 43,306,858 |
| March | 1,638,944 | 0 | (6,159) | 1,674,832 | 3,327,260 | 10,174,357 | 0 | (62,057) | (71,390) | 16,862,041 | 313,535 | 6,912 | 27,223,397 |
| April | 754,580 | 0 | (17) | 1,332,024 | 2,112,749 | 3,770,813 | 0 | (176) | 0 | 13,410,684 | 263,396 | 6,683 | 17,451,401 |
| Total February 2009 thru April 2009 | | | | | 10,716,602 | | | | | | | | 87,981,656 |
| May | 774,989 | 0 | (422) | 279,160 | 1,080,888 | 1,015,515 | 0 | (4,250) | 0 | 2,810,555 | 273,454 | 5,622 | 4,100,896 |
| June | 2,436,319 | 0 | (5,309) | 1,707 | 849,399 | 9,930,387 | 0 | (54,793) | (6,504,021) | 12,896 | 214,858 | 5,665 | 3,504,991 |
| July | 3,670,873 | 0 | 4,074 | 399 | 875,457 | 14,734,132 | 0 | 40,885 | (11,457,291) | 2,415 | 213,256 | 4,906 | 3,538,303 |
| Total May 2009 thru July 2009 | | | | | 2,805,744 | | | | | | | | 11,144,190 |
| August | 3,661,260 | 0 | (131) | 358 | 812,046 | 13,261,843 | 0 | (1,292) | (10,543,807) | 1,905 | 217,376 | 4,247 | 2,940,271 |
| September | 3,620,531 | 0 | (65) | 361 | 897,859 | 12,336,177 | 0 | (540) | (9,545,884) | 1,768 | 219,085 | 3,081 | 3,013,697 |
| October | 4,042,331 | 0 | (137) | 1,040 | 1,943,709 | 16,748,639 | 0 | (1,285) | (10,035,069) | 5,057 | 238,656 | 5,050 | 8,961,048 |
| Total August 2009 thru October 2009 | | | | | 3,653,614 | | | | | | | | 14,915,016 |
| November | 2,167,654 | 0 | (150) | 659,461 | 2,781,710 | 12,355,375 | 0 | (151) | (579,438) | 3,210,982 | 263,897 | 2,143 | 15,252,807 |
| December | 3,994,643 | 228,847 | (25) | 2,257,089 | 6,366,762 | 23,583,956 | 1,036,791 | (243) | (947,996) | 11,018,657 | 228,815 | 2,326 | 11,018,657 |
| January | 4,877,608 | 0 | (3,522) | 2,982,982 | 7,880,981 | 34,079,518 | 0 | (30,903) | (121,712) | 14,572,165 | 201,193 | 2,351 | 48,702,612 |
| Total November 2009 thru January 2010 | | | | | 17,031,453 | | | | | | | | 98,877,723 |

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2009 THROUGH JANUARY 2010

| | NOVEMBER 2009 | | DECEMBER 2009 | | JANUARY 2010 | |
|--|------------------|-----------------------|------------------|------------------------|------------------|------------------------|
| | NET MMBTU | MCF | NET MMBTU | MCF | NET MMBTU | MCF |
| DELIVERED BY TEXAS GAS TRANSMISSION, LLC | | | | | | |
| COMMODITY AND VOLUMETRIC CHARGES: | | | | | | |
| NATURAL GAS SUPPLIERS: | | | | | | |
| 1 | 612,360 | 597,424 | 632,772 | 617,339 | 619,132 | 604,031 |
| 2 | 256,500 | 250,244 | 885,811 | 864,206 | 541,210 | 528,010 |
| 3 | 9,712 | 9,475 | 0 | 0 | 0 | 0 |
| 4 | 0 | 0 | 299,572 | 292,265 | 769,210 | 750,449 |
| 5 | 184,608 | 180,105 | 0 | 0 | 14,580 | 14,224 |
| 6 | 174,949 | 170,662 | (146,605) | (143,029) | 121,500 | 118,537 |
| 7 | 0 | 0 | 830,605 | 810,346 | 370,211 | 361,181 |
| 8 | 0 | 0 | (87,963) | (85,818) | 0 | 0 |
| 9 | 570,000 | 556,098 | 28,500 | 27,805 | 484,500 | 472,663 |
| 10 | 29,144 | 28,433 | 0 | 0 | 0 | 0 |
| | <u>1,837,273</u> | <u>1,792,461</u> | <u>2,442,692</u> | <u>2,383,114</u> | <u>2,920,343</u> | <u>2,849,115</u> |
| | | <u>\$7,077,713.52</u> | | <u>\$11,114,717.85</u> | | <u>\$17,321,486.58</u> |
| NO-NOTICE SERVICE ("NNS") STORAGE: | | | | | | |
| 1 WITHDRAWALS | 216,097 | 210,826 | 717,311 | 699,816 | 905,026 | 882,952 |
| 2 INJECTIONS | (263,030) | (256,615) | (48,329) | (47,150) | (1,101) | (1,074) |
| 3 ADJUSTMENTS | 199 | 1,934 | 0 | (860) | 0 | 10,102 |
| 4 ADJUSTMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 ADJUSTMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>(46,734)</u> | <u>(43,855)</u> | <u>668,982</u> | <u>651,806</u> | <u>903,925</u> | <u>891,980</u> |
| | | <u>(\$182,520.30)</u> | | <u>\$3,103,608.19</u> | | <u>\$5,373,562.95</u> |
| NATURAL GAS TRANSPORTERS: | | | | | | |
| 1 TEXAS GAS TRANSMISSION, LLC | 0 | 37,039 | 0 | 33,677 | 0 | 37,029 |
| 2 ADJUSTMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 ADJUSTMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>1,790,539</u> | <u>1,785,645</u> | <u>3,111,674</u> | <u>3,068,597</u> | <u>3,824,268</u> | <u>3,778,124</u> |
| | | <u>\$101,369.72</u> | | <u>\$179,514.73</u> | | <u>\$236,273.88</u> |
| TOTAL COMMODITY AND VOLUMETRIC CHARGES | | <u>\$6,996,562.94</u> | | <u>\$14,397,840.77</u> | | <u>\$22,931,323.41</u> |
| DEMAND AND FIXED CHARGES: | | | | | | |
| 1 TEXAS GAS TRANSMISSION, LLC | 0 | 37,039 | 0 | 33,677 | 0 | 37,029 |
| 2 ADJUSTMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 SUPPLY RESERVATION CHARGES | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 ADJUSTMENTS | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 CAPACITY RELEASE CREDITS | 0 | 0 | 0 | 0 | 0 | 0 |
| | | <u>\$2,647,197.62</u> | | <u>\$3,314,030.93</u> | | <u>\$3,303,369.28</u> |
| TOTAL DEMAND AND FIXED CHARGES | | <u>\$2,647,197.62</u> | | <u>\$3,314,030.93</u> | | <u>\$3,303,369.28</u> |
| TOTAL PURCHASED GAS COSTS -- TEXAS GAS TRANSMISSION, LLC | | <u>\$9,643,760.56</u> | | <u>\$17,711,871.70</u> | | <u>\$26,234,712.69</u> |

DEMAND AND FIXED CHARGES:
1 TEXAS GAS TRANSMISSION, LLC
2 ADJUSTMENTS
3 SUPPLY RESERVATION CHARGES
4 ADJUSTMENTS
5 CAPACITY RELEASE CREDITS

TOTAL DEMAND AND FIXED CHARGES

TOTAL PURCHASED GAS COSTS -- TEXAS GAS TRANSMISSION, LLC

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM NOVEMBER 2009 THROUGH JANUARY 2010

| | NOVEMBER 2009 | | DECEMBER 2009 | | JANUARY 2010 | |
|---|---------------|-----------------|---------------|-----------------|--------------|-----------------|
| | NET MMBTU | MCF | NET MMBTU | MCF | NET MMBTU | MCF |
| DELIVERED BY TENNESSEE GAS PIPELINE COMPANY | | | | | | |
| COMMODITY AND VOLUMETRIC CHARGES: | | | | | | |
| NATURAL GAS SUPPLIERS: | | | | | | |
| 1 . K | 0 | 0 | 0 | 0 | 45,945 | 44,607 |
| 2 . L | 0 | 0 | 0 | 0 | 87,253 | 84,712 |
| 3 . M | 142,260 | 138,116 | 0 | 0 | 97,685 | 94,840 |
| 4 . N | 229,500 | 222,816 | 586,500 | 569,417 | 510,000 | 495,145 |
| 5 . O | 0 | 0 | 0 | 0 | 106,219 | 103,125 |
| 6 . P | 0 | 0 | 333,500 | 323,786 | 188,500 | 189,010 |
| | 371,760 | 360,932 | 920,000 | 893,203 | 1,035,602 | 1,005,439 |
| | | \$1,512,248.43 | | \$4,384,616.96 | | \$6,172,747.63 |
| NATURAL GAS TRANSPORTERS: | | | | | | |
| 1 . TENNESSEE GAS PIPELINE COMPANY | | \$6,505.80 | | \$16,100.00 | | \$18,123.04 |
| 2 . ADJUSTMENTS | (88) | (\$161.17) | (4,366) | (734) | (393) | 7,135 |
| 3 . ADJUSTMENTS | 0 | (\$1,863.28) | 0 | 0 | 0 | 0 |
| 4 . ADJUSTMENTS | 0 | \$0.01 | 0 | 0 | 0 | 0 |
| TOTAL | 371,672 | \$4,481.36 | 915,634 | 892,469 | 1,035,209 | 1,012,574 |
| | | \$1,516,729.79 | | \$4,383,744.11 | | \$6,188,697.54 |
| TOTAL COMMODITY AND VOLUMETRIC CHARGES | | | | | | |
| DEMAND AND FIXED CHARGES: | | | | | | |
| 1 . TENNESSEE GAS PIPELINE COMPANY | | \$329,664.00 | | \$329,664.00 | | \$329,664.00 |
| 2 . TRANSPORTATION BY OTHERS | | \$0.00 | | \$0.00 | | \$0.00 |
| 3 . SUPPLY RESERVATION CHARGES | | \$838,885.89 | | \$890,695.86 | | \$883,731.13 |
| 4 . CAPACITY RELEASE CREDITS | | \$0.00 | | \$0.00 | | \$0.00 |
| TOTAL DEMAND AND FIXED CHARGES | | \$1,168,549.89 | | \$1,220,359.86 | | \$1,213,395.13 |
| TOTAL PURCHASED GAS COSTS -- TENNESSEE GAS PIPELINE COMPANY | | \$2,685,279.68 | | \$5,604,103.97 | | \$7,402,092.67 |
| OTHER PURCHASES | | | | | | |
| 1 . CASH-OUT OF CUSTOMER OVER-DELIVERIES | | \$26,334.28 | | \$65,225.10 | | \$442,712.32 |
| TOTAL | | \$26,334.28 | | \$65,225.10 | | \$442,712.32 |
| TOTAL PURCHASED GAS COSTS -- ALL PIPELINES | 2,162,211 | \$12,355,374.52 | 4,027,308 | \$23,381,200.77 | 4,859,477 | \$34,079,517.68 |

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2010-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over- or under-recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The under-recovery that must be collected under the Gas Cost Balance Adjustment (GCBA) during the period of May 1, 2010 through July 31, 2010, set forth on Page 1 of Exhibit C-1, is \$156,724. The GCBA factor required to collect this under-recovery is a charge of 0.562¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after May 1, 2010 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2009-00457, which, with service rendered through April 30, 2010, will have been in effect for three months. Any over- or under-recovery of the amount originally established will be transferred to the GCBA which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after August 1, 2010.

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation of Quarterly Gas Cost Balance Adjustment
 To Compensate for Over or (Under) Recoveries
 From the Gas Cost Actual Adjustment (GCAA) and
 Gas Cost Balance Adjustment (GCBA)

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
|--|---|--|--|---|---|---------------------------|--|---------------------|--|--|-------------|-------------|
| Implemented for Three-Month Period With Service Rendered On and After: | Remaining Over (Under) Recovery From GCAA ¹ | Amt. Transferred From Refund Factor & PBRRC | GCBA From Second Preceding 3 Mo. Period | Applicable Sales During 3 Mo. Period ² | GCBA Factor From Second Preceding 3 Mo. Period | Recovery Under GCBA | Remaining Over (Under) Recovery | Deferred Amounts | Total Remaining Over (Under) Recovery | Expected Sales For 3 Mo. Period | GCBA | GCBA |
| | (\$) | (\$) | (\$) | (mcf) | (cents/mcf) | (\$) | (\$) | (\$) | (\$) | (mcf) | (cents/mcf) | (cents/ccf) |
| | | | | | | (5) x (6) | (4) + (7) | | (2 + 3 + 8 + 9) | | | |
| May 1, 2005 (Case No. 2005-00143) | 510,098 | (369,696) ⁴ | (1,474,237) | 14,564,142 | 9.05 | 1,318,055 | (156,182) | | (15,780) | 3,087,349 | 0.51 | 0.051 |
| August 1, 2005 (Case No. 2005-00274) | (708,364) | (432,909) ⁵ | (184,848) | 11,948,228 | 1.46 | 174,444 | (10,404) | | (1,151,677) | 3,672,564 | 31.36 | 3.136 |
| November 1, 2005 (Case No. 2005-00401) | 197,051 | | (15,780) | 3,040,598 | 0.51 | 15,507 | (273) | | 196,778 | 17,202,685 | (1.14) | (0.114) |
| February 1, 2006 (Case No. 2006-00005) | (292,650) | | (1,151,677) | 3,005,143 | 31.36 | 942,413 | (209,264) | | (501,914) | 12,384,154 | 4.05 | 0.405 |
| May 1, 2006 (Case No. 2006-00138) | 621,092 | | 196,778 | 13,959,263 | (1.14) | (159,677) | 37,101 | | 658,193 | 3,143,460 | (20.94) | (2.094) |
| August 1, 2006 (Case No. 2006-00335) | (1,339,631) | (270,087) ⁵ | (501,914) | 7,486,966 | 4.05 | 303,222 | (198,692) | | (1,808,410) | 3,756,552 | 48.14 | 4.814 |
| November 1, 2006 (Case No. 2006-00431) | 123,552 | | 658,193 | 2,752,572 | (20.94) | (576,389) | 81,804 | | 205,356 | 15,898,032 | (1.29) | (0.129) |
| February 1, 2007 (Case No. 2007-00001) | 340,264 | | (1,711,456) ⁶ | 3,767,428 | 48.14 | 1,813,640 | 102,184 | | 442,448 | 11,775,368 | (3.76) | (0.376) |
| May 1, 2007 (Case No. 2007-00141) | (3,153,475) | | 205,356 | 13,581,993 | (1.29) | (175,208) | 30,149 | | (3,123,326) | 2,901,342 | 107.65 | 10.765 |
| August 1, 2007 (Case No. 2007-00267) | 2,151,894 | (470,308) ⁵ | 442,448 | 12,051,122 | (3.76) | (453,122) | (10,674) | | 1,670,912 | 3,349,006 | (49.89) | (4.989) |
| November 1, 2007 (Case No. 2007-00428) | 2,200,035 | 20,942 ⁷ | (3,123,326) | 2,614,844 | 107.65 | 2,814,880 | (308,446) | | 1,912,531 | 15,504,337 | (12.34) | (1.234) |
| February 1, 2008 (Case No. 2007-00559) | 8,464 | | 1,670,912 | 2,869,593 | (49.89) | (1,431,635) | 239,277 | | 247,741 | 11,191,562 | (2.21) | (0.221) |
| May 1, 2008 (Case No. 2008-00117) | 150,798 | (260,366) ⁵ | 1,912,531 | 14,429,576 | (12.34) | (1,780,610) | 131,921 | | 282,719 | 2,745,844 | (10.30) | (1.030) |
| August 1, 2008 (Case No. 2008-00246) | (169,651) | | 942,413 | 12,450,630 | (2.21) | (275,159) | (27,418) | | (457,436) | 3,682,115 | 12.42 | 1.242 |
| November 1, 2008 (Case No. 2008-00430) | (239,644) | | 282,719 | 2,898,628 | (10.30) | (298,559) | (15,839) | | (255,483) | 15,435,648 | 1.66 | 0.166 |
| February 1, 2009 (Case No. 2008-00564) | (42,473) | (1,307,422) ⁸ | (457,436) | 3,162,873 | 12.42 | 392,829 | (64,607) | | (1,414,502) | 11,250,108 | 12.57 | 1.257 |
| May 1, 2009 (Case No. 2009-00140) | (277,968) | | (255,483) | 15,899,387 | 1.66 | 263,930 | 8,446 | | (269,522) | 2,870,045 | 9.39 | 0.939 |
| August 1, 2009 (Case No. 2009-00248) | 34,233 | 142,782 ⁵ | (1,414,502) | 10,527,702 | 12.57 | 1,323,332 | (91,170) | | 85,845 | 3,348,186 | (2.56) | (0.256) |
| November 1, 2009 (Case No. 2009-00395) | (61,729) | | (269,522) | 2,606,156 | 9.39 | 244,718 | (24,804) | | (86,533) | 15,002,877 | 0.58 | 0.058 |
| February 1, 2010 (Case No. 2009-00457) | 207,342 | | 85,845 | 3,296,439 | (2.56) | (84,389) | 1,456 | | 208,798 | 11,471,206 | (1.82) | (0.182) |
| May 1, 2010 (Case No. 2010-00xxx) | (158,970) | | (86,533) | 15,306,756 | 0.58 | 88,779 | 2,246 | | (156,724) | 2,789,591 ³ | 5.62 | 0.562 |

1 See Exhibit C-1, page 2.

2 Corresponds with actual applicable sales shown on Exhibit B-1, page 2.

3 For The Three-Month Period From May 1, 2010 through July 31, 2010.

4 Previous Total Remaining Under-Recovery in Case No. 2005-00526 of (\$184,848) as shown in Column 10, was erroneously transferred to the Summary Sheet as an Over-Recovery and reflected as a refund factor in calculating the Gas Cost Balance Adjustment for February through April 2005. This adjustment corrects that error.

5 Reconciliation of the PBRCC from previous twelve months.

6 Correction of Total Remaining Over(Under) Recovery (Col. 10) for August 1, 2006. Applicable Sales used in this calculation should have been 9,880,883 Mcf, instead of 7,486,966 Mcf, resulting in a Total Remaining Over(Under) Recovery of (\$1,711,456), instead of (\$1,808,410).

7 This amount represents an over-refund by LG&E from the FERC settlement of the rate case filed by Texas Gas in Docket No. RP05-317 of a pipeline supplier refund.

8 This amount represents an over-refund by LG&E from Case No. 2007-00141 due to an input error as explained in Exhibit B in Case No. 2007-00559. This adjustment corrects that error.

LOUISVILLE GAS AND ELECTRIC COMPANY

Amount of Over (Under) Recovery – See Exhibit B-1, Page 1

| 2007 | Total Monthly (1) | As Pro-Rated for Service Rendered During: | | GCAA Case No. 2007-00001 August 1, 2007 (\$13,224,126) | GCAA Case No. 2007-00141 November 1, 2007 \$3,716,176 | GCAA Case No. 2007-00267 February 1, 2008 \$4,890,642 | GCAA Case No. 2007-00428 May 1, 2008 (\$7,415,401) | GCAA Case No. 2007-00559 August 1, 2008 (\$16,330,427) | GCAA Case No. 2008-00117 November 1, 2008 (\$9,589,154) | GCAA Case No. 2008-00246 February 1, 2009 \$21,155,634 |
|---|-------------------|---|-------------|--|---|---|--|--|---|--|
| | | Previous (2) | Current (3) | | | | | | | |
| May | 1,488,291 | 856,431 | 631,860 | | | | | | | |
| June | 864,422 | | | | | | | | | |
| July | 764,303 | | | | | | | | | |
| August | 727,533 | 354,261 | 373,273 | | | | | | | |
| September | 763,556 | | | | | | | | | |
| October | 811,984 | | | | | | | | | |
| November | 2,092,834 | 920,771 | 1,172,063 | | | | | | | |
| December | 4,281,656 | | | | | | | | | |
| 2008 | 6,009,012 | | | | | | | | | |
| January | 6,108,672 | 2,966,845 | 3,141,827 | | | | | | | |
| February | 5,425,227 | | | | | | | | | |
| March | 3,100,020 | | | | | | | | | |
| April | 1,499,442 | | | | | | | | | |
| May | 1,021,526 | 783,557 | 715,885 | | | | | | | |
| June | 808,754 | | | | | | | | | |
| July | 754,483 | | | | | | | | | |
| August | 762,512 | 352,462 | 402,022 | | | | | | | |
| September | 878,606 | | | | | | | | | |
| October | 2,158,532 | 1,119,734 | 1,038,797 | | | | | | | |
| November | 5,214,230 | | | | | | | | | |
| December | 6,465,823 | 3,180,536 | 2,730,927 | | | | | | | |
| 2009 | 5,911,463 | | | | | | | | | |
| January | 4,228,050 | | | | | | | | | |
| February | 2,732,278 | | | | | | | | | |
| March | 1,365,407 | | | | | | | | | |
| April | 970,692 | 836,448 | 528,959 | | | | | | | |
| May | 742,923 | | | | | | | | | |
| June | 747,644 | | | | | | | | | |
| July | 721,539 | 363,562 | 384,062 | | | | | | | |
| August | 1,081,546 | | | | | | | | | |
| September | 1,986,901 | 1,109,292 | 847,608 | | | | | | | |
| October | 4,083,605 | | | | | | | | | |
| November | 6,593,709 | 3,441,834 | 3,138,477 | | | | | | | |
| December | 6,580,311 | | | | | | | | | |
| 2010 | | | | | | | | | | |
| January | | | | | | | | | | |
| February | | | | | | | | | | |
| Total Amount Billed Under GCAA | | | | | | | | | | |
| | | 3,880,520 | 12,984,482 | | | | | | | |
| Remaining Amount of Over (Under) Recovery | | (169,651) | (239,644) | | | | | | | |

(1) GCAA Times Sales Shown in Column 1.
(2) GCAA Times Sales Shown in Column 2.
(3) GCAA Times Sales Shown in Column 3.
(4) Revised to correct error in GCAA in filing of Case No. 2007-00001. Originally filed correctly as \$0.03909/Ccf, and incorrectly revised to \$0.04063 in the next filing (Case No. 2007-00141).

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2010-00XXX**

Refund Factors (RF) continuing for twelve months from the effective data of each or until LG&E has discharged its refund obligations thereunder.

The purpose of this adjustment is to pass through refunds received by Louisville Gas and Electric Company ("LG&E") associated with Tennessee Gas Pipeline Company ("Tennessee").

The Federal Energy Regulatory Commission ("FERC") approved the settlement filed by Tennessee in Docket Nos. RP91-203 and RP92-132 regarding refunds related to amounts collected by Tennessee to cover certain of its PCB remediation costs. Such amounts have been over-collected by Tennessee and are now being refunded to its customers in installments through April 2012. The refunds approved became effective December 3, 2009, covering the period from November 1, 1996 (when LG&E first began taking firm service from Tennessee under Rate Schedule FT-A) through June 30, 2000 (when the surcharge was reduced by Tennessee to zero with FERC approval). The first refund installment was received December 18, 2009.

Shown on Exhibit D-1 is LG&E's total expected refund obligation to its customers. The refund, including interest, is \$203,603.08. The estimated interest on the refundable amount is calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12 months period, less 1/2 of 1 percent to cover the cost of refunding. Estimated interest, calculated pursuant to Commission direction, is estimated to be zero for the 12-month refund period.

Since the amounts were charged to and allocated from LG&E's demand customers on a demand basis, the refunds must now also be credited on a demand basis. Therefore, we propose the refund of \$.00064 per 100 cubic feet.

| | <u>Sale Volumes</u> | <u>Transportation Volumes</u> |
|-----------------------------------|----------------------|-------------------------------|
| Demand-Related Portion | \$0.00064/Ccf | \$0.00064/Ccf |
| Commodity-Related Portion | <u>\$0.00000/Ccf</u> | <u>\$0.00000/Ccf</u> |
| Total Refund Factor | | |
| Effective February 1, 2010 | | |
| Through January 31, 2011 | \$0.00064/Ccf | \$0.00064/Ccf |

LOUISVILLE GAS AND ELECTRIC COMPANY
Gas Supply Clause 2010-00XXX
 Calculation of Refund Factor
 Effective February 1, 2010 Through January 31, 2011

| | <u>Refund Related to Commodity</u> | <u>Refund Related to Demand</u> | <u>Total Refund</u> |
|--|--|-------------------------------------|-------------------------|
| 1 Total Cash Refund | \$0.00 | \$203,603.08 | \$203,603.08 |
| 2 Plus estimated interest on refundable amount | \$0.00 | \$0.00 | \$0.00 |
| 3 Expected refund obligation including interest | \$0.00 | \$203,603.08 | \$203,603.08 |
| 4 Expected Mcf sales for 12-month period beginning February 1, 2010 | 0 | 31,887,051 | |
| 5 Refund Factor per Mcf (\$ / Mcf) (line 3 / line 4) | \$0.0000 | \$0.0064 | |
| 6 Refund Factor per Ccf (cents / Ccf) | 0.000 ¢ | 0.064 ¢ | |

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2010-00xxx
Calculation of Performance Based Rate Recovery Component (PBRRC)**

The purpose of the PBRRC is to collect Louisville Gas and Electric Company's portion of the savings created under the gas supply cost PBR. Pursuant to the gas supply cost PBR mechanism approved in Case No. 2001-00117, the PBRRC established in Case No. 2008-00564, became applicable to gas service rendered on and after February 1, 2009 and will remain in effect until January 31, 2010, after which time a new adjustment level may be implemented. Therefore, as shown in the following table, the PBRRC amount which will become effective with gas service rendered on and after February 1, 2010, and will remain in effect until January 31, 2011, is \$0.00549 and \$0.00126 per 100 cubic feet for sales and standby transportation volumes, respectively:

| | <u>Sales Volumes</u> | <u>Transportation Volumes</u> |
|---------------------------|----------------------|-------------------------------|
| Commodity-Related Portion | \$0.00423/Ccf | \$0.00000/Ccf |
| Demand-Related Portion | \$0.00126/Ccf | \$0.00126/Ccf |
| Total PBRRC | \$0.00549/Ccf | \$0.00126/Ccf |

Please note that Louisville Gas and Electric Company's tariff sales volumes receive both the commodity-related and demand-related portion of the PBRRC. Transportation volumes under Rate TS receive only the demand-related portion of the PBRRC.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2010-00XXX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2010

| | <u>CSPBR Related to Commodity</u> | <u>CSPBR Related to Demand</u> |
|---|---|--|
| Shareholder Portion of PBR | \$1,344,573 | \$400,719 |
| Expected Mcf Sales for the 12 month period beginning February 1, 2010 | 31,751,457 | 31,887,051 |
| PBRRC factor per Mcf | \$0.0423 | \$0.0126 |
| PBRRC factor per Ccf | \$0.00423 | \$0.00126 |

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2010-00XXX
Shareholder Portion of PBR Savings
PBR Year 12

Split between Demand (Fixed) and Commodity (Volumetric) Components
As Determined in LG&E's Fourth Quarterly PBR Filing

| | <u>Commodity</u> | <u>Demand</u> | <u>Total</u> |
|---|------------------|---------------|--------------|
| Company Share of PBR Savings or (Expenses) (CSPBR) | \$1,344,573 | \$400,719 | \$1,745,292 |

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM
May 1, 2010 through July 31, 2010**

| | RATE PER 100 CUBIC FEET | | | | TOTAL |
|---|--------------------------------|--------------------------------|-------------------------------------|--------------------------------|-----------|
| | CUSTOMER CHARGE (PER MONTH) | DISTRIBUTION COST COMPONENT | GAS SUPPLY COST COMPONENT (GSCC) | DSM COST RECOVERY COMPONENT | |
| RATE RGS - RESIDENTIAL CUSTOMER CHARGE ALL CCF | \$9.50 | \$0.21349 | \$0.51880 | 0.01394 | \$0.74623 |
| RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR) CUSTOMER CHARGE | \$23.00 | | | | |
| APRIL THRU OCTOBER | | | | | |
| FIRST 1000 CCF/MONTH | | \$0.17052 | \$0.51880 | 0.00093 | \$0.69025 |
| OVER 1000 CCF/MONTH | | \$0.12052 | \$0.51880 | 0.00093 | \$0.64025 |
| NOVEMBER THRU MARCH ALL CCF | | \$0.17052 | \$0.51880 | 0.00093 | \$0.69025 |
| RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR) CUSTOMER CHARGE | \$160.00 | | | | |
| APRIL THRU OCTOBER | | | | | |
| FIRST 1000 CCF/MONTH | | \$0.17052 | \$0.51880 | 0.00093 | \$0.69025 |
| OVER 1000 CCF/MONTH | | \$0.12052 | \$0.51880 | 0.00093 | \$0.64025 |
| NOVEMBER THRU MARCH ALL CCF | | \$0.17052 | \$0.51880 | 0.00093 | \$0.69025 |
| RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR) CUSTOMER CHARGE | \$23.00 | | | | |
| APRIL THRU OCTOBER | | | | | |
| FIRST 1000 CCF/MONTH | | \$0.16524 | \$0.51880 | 0.00000 | \$0.68404 |
| OVER 1000 CCF/MONTH | | \$0.11524 | \$0.51880 | 0.00000 | \$0.63404 |
| NOVEMBER THRU MARCH ALL CCF | | \$0.16524 | \$0.51880 | 0.00000 | \$0.68404 |
| RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR) CUSTOMER CHARGE | \$160.00 | | | | |
| APRIL THRU OCTOBER | | | | | |
| FIRST 1000 CCF/MONTH | | \$0.16524 | \$0.51880 | 0.00000 | \$0.68404 |
| OVER 1000 CCF/MONTH | | \$0.11524 | \$0.51880 | 0.00000 | \$0.63404 |
| NOVEMBER THRU MARCH ALL CCF | | \$0.16524 | \$0.51880 | 0.00000 | \$0.68404 |
| Rate AAGS | \$275.00 | \$0.05252 | \$0.51880 | 0.00093 | \$0.57225 |
| | | | | | |
| | CUSTOMER CHARGE (PER MONTH) | DISTRIBUTION COST COMPONENT | GAS SUPPLY COST COMPONENT (GSCC) | DEMAND CHARGE COMPONENT | TOTAL |
| RATE DGGS - COMMERCIAL & INDUSTRIAL CUSTOMER CHARGE ALL CCF | \$160.00 | \$0.02561 | \$0.51880 | \$ 0.94000 | \$1.48441 |

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE
 RENDERED FROM
 May 1, 2010 through July 31, 2010

| | RATE PER MCF | | | | |
|-----------------------|---------------------------------|------------------------|---|-----------------------------------|--------------|
| RATE TS | ADMIN. CHARGE (PER MONTH) | LG&E DIST CHARGE | PIPELINE SUPPLIER'S DEMAND COMPONENT | DSM COST RECOVERY COMPONENT | <u>TOTAL</u> |
| RATE CGS - COMMERCIAL | \$153.00 | | | | |
| APRIL THRU OCTOBER | | | | | |
| FIRST 100 MCF/MONTH | | \$1.7052 | \$0.9881 | 0.0930 | \$2.7863 |
| OVER 100 MCF/MONTH | | \$1.2052 | \$0.9881 | 0.0930 | \$2.2863 |
| NOVEMBER THRU MARCH | | | | | |
| ALL MCF | | \$1.7052 | \$0.9881 | 0.0930 | \$2.7863 |
| | | | | | |
| RATE IGS - INDUSTRIAL | \$153.00 | | | | |
| APRIL THRU OCTOBER | | | | | |
| FIRST 100 MCF/MONTH | | \$1.6524 | \$0.9881 | 0.0000 | \$2.6405 |
| OVER 100 MCF/MONTH | | \$1.1524 | \$0.9881 | 0.0000 | \$2.1405 |
| NOVEMBER THRU MARCH | | | | | |
| ALL MCF | | \$1.6524 | \$0.9881 | 0.0000 | \$2.6405 |
| | | | | | |
| Rate AAGS | \$153.00 | \$0.5252 | \$0.9881 | 0.0930 | \$1.6063 |

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

May 1, 2010 through July 31, 2010

Transportation Service:

| | |
|--|----------|
| Monthly Transportation Administrative Charge | \$230.00 |
| Distribution Charge / Mcf Delivered | \$0.4300 |

Ancillary Services:

| | |
|--|-----------------|
| Daily Demand Charge | \$0.1876 |
| Daily Storage Charge | <u>\$0.1833</u> |
| Utilization Charge per Mcf for Daily Balancing | \$0.3709 |

| | |
|---|---|
| Cash-Out Provision for Monthly Imbalances | Percentage to be Multiplied by Cash-Out Price * |
|---|---|

Cash-Out Provision for Monthly Imbalances:

Where Usage is Greater than Transported Volume - Billing:

| | |
|------------------|------|
| First 5% or less | 100% |
| next 5% | 110% |
| next 5% | 120% |
| next 5% | 130% |
| > than 20% | 140% |

Where Transported Volume is Greater than Usage - Purchase:

| | |
|------------------|------|
| First 5% or less | 100% |
| next 5% | 90% |
| next 5% | 80% |
| next 5% | 70% |
| > than 20% | 60% |

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.