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## NOTICE TO CUSTOMERS OF LOUISVILLE GAS AND ELECTRIC COMPANY

F 2 2 2 2014

PLEASE TAKE NOTICE that, in a November 26, 2014 Application, Louisville Gas and MISSION Electric Company ("LG&E") is seeking approval by the Kentucky Public Service Commission ("Commission") of an adjustment of its electric and gas rates and charges to become effective on and after January 1, 2015.

The proposed rates reflect a proposed annual increase in electric revenues of approximately 2.7% and gas revenues of approximately 4.2% to LG&E.

The estimated amount of the annual change and the average monthly bill to which the proposed electric rates will apply for each electric customer class are as follows:

	Average	Annual	Annual	Mthly	Mthly			
Electric	Usage	\$	%	Bill \$	Bill %			
Rate Class	(kWh)	Increase	Increase	Increase	Increase			
Residential	984	11,908,857	2.73	2.75	2.73			
General Service	2,58	4,213,025	2.72	7.87	2.72			
Power Service	61,846	5,269,319	2.72	153.08	2.72			
TODS (Secondary)	271,647	2,347,132	2.72	612.98	2.72			
CTOD to TODP (Primary)	736,184	(1,338,789)	(4.47)	(2,824.44)	(4.47)			
ITOD to TODP (Printing)	1,983,900	5,526,15	4.48	6.563.12	4.48			
Retail Transmission	6,089,174	1,520,807	2.73	10,561.16	2.73			
Fluctuating Load	No customers are currently served under this rate schedule.							
Outdoor Lights	120	517,895	2.73	0.50	2.73			
Lighting tergy	1,839	3,886	,	3.68	2.73			
Traffic Energy	286	8,176		0.75	2.72			
CTAC	N/A	8	\$ 10 00 00 00 00 00 00 00 00 00 00 00 00	0	0			
LEV to RTQD-Energy	1,364	3 Chils	8,000	12.40	9.66			

The estimated amount of the annual change and the rates will apply for each gas customer class is as

Gas Rate	Average Usage	al	Annual %	Mthly Bill \$	Mthly Bill %			
Class	(Mcf)	icrease	Increase	Increase	Increase			
Residential	5.7	9,264,250	4.20	2.62	4.20			
Commercial -	36.7	3,973,949 -	4.20	13.97	4.20			
Industrial	442.4	399,692	4.21	132.40	4.21			
As-Available	5,803.0	99,892	4.20	1,453.46	4.20			
Firm Transportation	12,188.0	293,560	4.20	309.66	4.20			
Distributed Generation	No customers are currently served under this rate schedule.							

LG&E is also proposing to increase its required Customer Deposits from the current amount of \$135.00 for residential electric customers to \$160.00, and from the current amount of \$95.00 for residential gas customers to \$100.00. ("Residential electric customers" are all customers taking service under Residential Rate RS, proposed Residential Time-of-Day Energy Service Rate RTOD-Energy, and proposed Residential Time-of-Day Demand Service Rate RTOD-Demand.) The Customer Deposit for combined gas and electric residential service, if required, would increase from the current \$230.00 to \$260.00. LG&E is further proposing to increase the Customer Deposit for electric customers served under General Service Rate GS from \$220.00 to \$240.00. All other non-residential gas and electric customers will continue to pay a deposit not to exceed 2/12 of the customer's actual or estimated annual bill.