COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT FILING OF LOUISVILLE GAS AND ELECTRIC COMPANY	)))	CASE NO. 2026-00259

O R D E R

On October 1, 2026, Louisville Gas and Electric Company (LG&E) filed its proposed Gas Supply Clause (GSC) report to be effective November 1, 2026. LG&E's previous GSC rate was approved in Case No. 2026-00158.[1] LG&E also filed with its GSC report a motion for confidential treatment of certain information submitted with its GSC report.

LEGAL STANDARD

The Commission's standard of review for GSC rates is well settled as stated in KRS 278.274(1):

> In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates, or the

[1] Case No. 2026-00158, *Electronic Purchased Gas Adjustment Filing of Louisville Gas and Electric Company* (Ky. PSC July 29, 2026).

rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.[2]

DISCUSSION

Proposed GSC Rate

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that LG&E's report includes revised rates designed to pass on to its customers its expected change in gas costs. LG&E's report sets out a Gas Supply Cost of $0.43042 per 100 cubic feet, or $4.3042 per Mcf,[3] which is a decrease of $0.0628 per Mcf from the previous Gas Supply Cost of $4.3670 per Mcf.[4] LG&E's report sets out no Refund Adjustment.[5] LG&E's report sets out a current Quarter Gas Cost Actual Adjustment (GCAA) of ($0.1065) per Mcf.[6] LG&E's total GCAA is $1.1901 per Mcf, which is an increase of $0.0406 per Mcf from the previous total GCAA of $1.1495 per Mcf.[7] LG&E's report sets out a Gas Cost Balancing Adjustment (GCBA) of $0.0313 per Mcf,[8] which is a decrease of $0.1840 per Mcf from its previous GCBA of $0.2153 per Mcf.[9]

Based on the calculations above, the Commission finds that LG&E's Gas Supply Cost Component (GSCC) rate is $0.55256 per 100 cubic feet, or $5.5256 per Mcf, which

[2] KRS 278.274(2); KRS 278.274(3)(c); and KRS 278.274(3)(d).

[3] Application, Exhibit A at 1 of 2.

[4] Case No. 2026-00158, July 29, 2026 Order at 2.

[5] Application, Exhibit D.

[6] Application, Exhibit B-1, at 1 of 7.

[7] Case No. 2026-00158, July 29, 2026 Order at 2.

[8] Application, Exhibit C-1 at 1 of 3.

[9] Case No. 2026-00158, July 29, 2026 Order at 2.

is a decrease of $0.2062 per Mcf from the prior GSCC of $5.7318 per Mcf.[10] The Commission finds that the inputs, resulting components and calculation of LG&E's GSCC rate of $5.5256 per Mcf are reasonable. The Commission further finds that the rates as proposed by LG&E and set forth in the Appendix to this Order are fair, just and reasonable and are approved for gas supplied by LG&E on and after November 1, 2026.

For the purpose of transparency and to maintain a record of information for future use, the Commission finds that LG&E should submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GSC rate reports. Should LG&E purchase sustainable natural gas from a renewable source during the reporting period of any future GSC reports, then the supplier, cost, and amount must be documented in its cover letter to the Commission.

Petition for Confidential Treatment

LG&E filed a petition, pursuant to 807 KAR 5:001, Section 13, and KRS 61.878, requesting that the Commission grant confidential treatment for an indefinite period for certain information included in LG&E's application, Exhibit B-1, pages 6 and 7 and the corresponding invoices. The designated material identifies LG&E's natural gas suppliers, the gas volume delivered by each supplier, and the total purchased gas costs for May 1, 2026, through July 31, 2026.

In support of its petition, LG&E argued that public disclosure of this information would result in competitive harm by adversely impacting LG&E's ability to negotiate future gas supply contracts at favorable prices, and therefore, would impair LG&E's ability to minimize the price of natural gas paid by LG&E's customers.

[10] Case No. 2026-00158, July 29, 2026 Order at 3.

Having considered the petition and the material at issue, the Commission finds that the designated material is generally recognized as confidential or proprietary; and that public disclosure could result in commercial harm to LG&E by impairing LG&E's ability to obtain the most favorable prices for its natural gas supply, which in turn would raise the price paid by LG&E's customers for natural gas. The designated material therefore meets the criteria for confidential treatment and is exempted from public disclosure pursuant to 807 KAR 5:001, Section 13, and KRS 61.878(1)(c)(1) as disclosure would permit an unfair commercial advantage to the competitors of LG&E.

IT IS THEREFORE ORDERED that:

1. The rates proposed by LG&E and set forth in the Appendix to this Order are approved for gas supplied by LG&E on and after November 1, 2026.

2. LG&E shall submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCR rate reports.

3. Should LG&E purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount shall be documented in its cover letter to the Commission.

4. Within 20 days of the date of service of this Order, LG&E shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

5. LG&E's October 1, 2026 petition for confidential treatment is granted.

6. The designated material granted confidential treatment by this Order shall not be placed in the public record or made available for public inspection for an indefinite period or until further order of this Commission.

7. Use of the designated material granted confidential treatment by this Order in any Commission proceeding shall comply with 807 KAR 5:001, Section 13(9).

8. LG&E shall inform the Commission if the designated material granted confidential treatment by this Order becomes publicly available or no longer qualifies for confidential treatment.

9. If a nonparty to this proceeding requests to inspect the material granted confidential treatment by this Order and the period during which the material has been granted confidential treatment has not expired, LG&E shall have 20 days from receipt of written notice of the request to demonstrate that the material still falls within the exclusions from disclosure requirements established in KRS 61.878. If LG&E is unable to make such demonstration, the requested material shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

10. The Commission shall not make the requested material available for inspection for 30 days from the date of service of an Order finding that the material no longer qualifies for confidential treatment in order to allow LG&E to seek a remedy afforded by law.

11. This case is closed and removed from the Commission's docket.

Entered on this 27th day of October, 2026.

PUBLIC SERVICE COMMISSION

Angie Hatton
Chair

Mary Pat Regan
Vice Chair

Andrew W. Wood
Commissioner

Barry L. Mayfield
Commissioner

ATTEST:

Justin McNeil
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00259 DATED OCT 27 2026

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

Gas Supply Cost Component:

The total Gas Supply Cost Component shall be $0.55256 per 100 cubic feet for gas supplied on and after November 1, 2026.

Service List for Case 2026-00259

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