



USAARMC and Fort Knox
Attn: Robert Dyrdek, Energy Program Manager
Building 1110, 3rd Floor, Room 306
125 Sixth Avenue
Fort Knox, Kentucky 40121-5000

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
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Robert M. Conroy
Director, Rates
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December 3, 2013

**RE: *AN EXAMINATION OF THE APPLICATION OF
THE ENVIRONMENTAL SURCHARGE MECHANISM
OF LOUISVILLE GAS AND ELECTRIC COMPANY
FOR THE TWO-YEAR BILLING PERIOD ENDING
APRIL 30, 2013 - CASE NO. 2013-00243***

Dear Mr. Dyrdek:

As a result of an Order issued in LG&E’s Environmental Cost Recovery (ECR) Review in Case No. 2013-00243 dated November 14, 2013, the Kentucky Public Service Commission authorized a roll-in of a portion of the current ECR factor into existing base rates, including the rates contained in the power contract designated Contract W2215-ENG-1291, as heretofore amended and modified. The roll-in results in an increase in demand charges beginning with bills rendered on and after the first billing cycle for January 2014, which will begin December 31, 2013.

The rates prescribed by the Commission for electric service rendered under the aforesaid contract, and effective with bills rendered on and after December 31, 2013, are set forth on the attached “**Fort Knox Electric Rate.**”

All other provisions of your contract, not specifically mentioned herein, remain the same as those in effect prior to the date of the Commission’s Order of November 14, 2013, and all other Tariffs and Riders applicable to this contract will continue to apply.

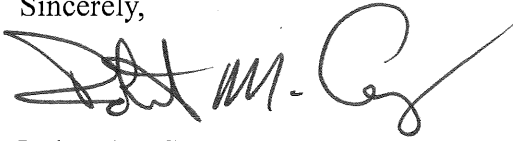
KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH

EFFECTIVE 12/31/2013
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

USAARMC and Fort Knox
Attn: Robert Dyrdek, Energy Program Manager
December 3, 2013

If you have any questions regarding this matter, please contact me.

Sincerely,



Robert M. Conroy

Attachment

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 12/31/2013 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

LOUISVILLE GAS AND ELECTRIC COMPANY

FORT KNOX ELECTRIC RATE

Effective With Bills Rendered On and After December 31, 2013

Availability:

Available for electric service as hereinafter described to the Fort Knox Military Reservation. This rate schedule does not apply to the separately-served Muldraugh Pumping Plant.

Rate:

Demand Charge:

Winter Rate: (Applicable during 8 monthly billing periods of October through May)

All kilowatts of billing demand \$12.72 per Kw per month

Summer Rate: (Applicable during 4 monthly billing periods of June through September)

All kilowatts of billing demand \$15.04 per Kw per month

Energy Charge: All kilowatt-hours per month \$0.03740 per Kwh

Determination of Billing Demand:

The billing demand for the month shall be the highest average load in kilowatts occurring during any 15-minute interval in the month as shown by maximum demand instrument, but not less than 50% of the maximum demand similarly delivered during the eleven preceding months, nor less than a minimum billing demand of 5,000 kilowatts.

Power Factor Provision: The monthly demand charge shall be decreased .4% for each whole one percent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one percent by which the monthly average power factor is less than 80% lagging.

Fuel Clause: This special contract is subject to the provisions of the Fuel Adjustment Clause found in LG&E's Tariff PSC of Ky. Electric No. 9, First Revision of Original Sheet No. 85 and Second Revision of Original Sheet No. 85.1.

Minimum Monthly Charge: The monthly bill shall in no event be less than the demand charge computed upon the billing demand for the month.

Billing Period:

The billing period for electric service hereunder shall be the calendar month.

Delivery and Metering:

Service hereunder shall be metered at 34,500 volts at Company's 138/34.5 KV Tip Top Substation, then transmitted and delivered at 34.5 KV by Company over two circuits to Customer's several substations. Meter readings on Company's two circuits will be combined for billing and the maximum demand will be determined as the coincident maximum demand on such two circuits.

Applicability of Rules:

Service under this rate schedule is subject to Company's Terms and Conditions governing the supply of electric service as incorporated in its Tariff as filed with the Public Service Commission of Kentucky.

Regulatory Jurisdiction:

Rates, terms and conditions herein provided are subject to the regulatory jurisdiction of the Public Service Commission of Kentucky.

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR
 TARIFF BRANCH

Brent Kirtley

12/31/2013
 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)