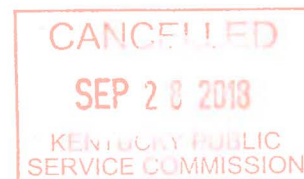


Louisville Gas and Electric Company

Adjustment Clause

**TCJA
Tax Cuts and Jobs Act Surcredit**



APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is mandatory to all Standard Rate Schedules listed in Sections 1 and 3 of the General Index except PSA and Special Charges.

RATE

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall decrease by the Tax Cuts and Jobs Act (TCJA) Surcredit. The TCJA Surcredit will be distributed to the Company's customers based on the following:

TCJA Surcredit per kWh:

Residential (RS, RTOD-Energy, RTOD-Demand, VFD): \$0.00444

Non-Residential (all other Rate Schedules): \$0.00344

TERMS OF DISTRIBUTION

- (1) The TCJA Surcredit shall be applied to the customer's bill following the rates and charges for electric service, but before application of the Environmental Cost Recovery Surcharge, Franchise Fee Rider, School Tax, and Home Energy Assistance Program.
- (2) The TCJA Surcredit shall be effective April 1, 2018 and continued through April 30, 2019 at the rates specified above.
- (3) The TCJA Surcredit amounts listed on this page are interim amounts that are subject to change once the Public Service Commission issues a final decision in Case No. 2018-00034.
- (4) In the event that the Company's base rates do not change on May 1, 2019, the TCJA Surcredit will continue at the following rates:

TCJA Surcredit per kWh:

Residential (RS, RTOD-Energy, RTOD-Demand, VFD): \$0.00360

Non-Residential (all other Rate Schedules): \$0.00280

- (5) The TCJA Surcredit shall terminate when base rates are changed following an application requesting a change in base rates.

DATE OF ISSUE: April 5, 2018

DATE EFFECTIVE: April 1, 2018

ISSUED BY: /s/ Robert M. Conroy, Vice President
State Regulation and Rates
Louisville, Kentucky

**Issued by Authority of an Order of the
Public Service Commission in Case No.
2018-00034 dated March 20, 2018 and modified March 28, 2018**

KENTUCKY PUBLIC SERVICE COMMISSION
Gwen R. Pinson Executive Director
EFFECTIVE 4/1/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)