

Louisville Gas and Electric Company

**P.S.C. Gas No. 10, Third Revision of Original Sheet No. 84
Canceling P.S.C. Gas No. 10, Second Revision of Original Sheet No. 84**

Adjustment Clause

**GLT
Gas Line Tracker**

APPLICABLE

Applicable to all customers receiving service under the Company's Rate Schedules RGS, VFD, CGS, IGS, AAGS, and DGGs.

CALCULATION OF THE GAS LINE TRACKER REVENUE REQUIREMENT

The GLT Revenue Requirement includes the following:

- a. GLT related Plant In-Service not included in base gas rates minus the associated GLT related accumulated depreciation and accumulated deferred income taxes;
- b. Retirement and removal of plant related to GLT construction;
- c. The rate of return on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes;
- d. Depreciation expense on the GLT-related Plant In-Service less retirement and removals;
- e. Incremental Operation and Maintenance; and
- f. Property Taxes

GLT PROGRAM FACTORS

All customers receiving service under rate schedules RGS, VFD, CGS, IGS, AAGS, and DGGs shall be assessed an adjustment to their applicable rate schedule that will enable the Company to recover the costs associated with the GLT program. After the Company replaces a gas service riser or a gas service line under this program, it will assume ownership and responsibility for the plant and equipment. The allocation of the program cost to customers will be in proportion to their relative base revenue share approved in Case No. 2014-00372.

A filing to update the projected program costs will be submitted annually at least two (2) months prior to the beginning of the effective period. The filing will reflect the anticipated impact on the Company's revenue requirements of net plant additions expected during the upcoming year. After the completion of a plan year, the Company will submit a balancing adjustment to true up the actual costs with the projected program costs for the preceding year. Such adjustment to the GLT will become effective with the first billing cycle on or after the effective date of such change.

C5/1/17

GLT RATES

The charges for the respective gas service schedules are:

RGS – Residential Gas Service	\$ 6.33	
VFD – Volunteer Fire Department Service	\$ 6.33	
CGS – Commercial Gas Service	\$ 33.76	
IGS – Industrial Gas Service	\$ 319.73	
AAGS – As-Available Gas Service	\$ 3,497.20	
DGGs – Distributed Generation Gas Service	\$ 0.00	

DATE OF ISSUE: February 8, 2017
DATE EFFECTIVE: February 7, 2017
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.
 2016-00383 dated February 7, 2017**

KENTUCKY PUBLIC SERVICE COMMISSION
Talina R. Mathews EXECUTIVE DIRECTOR <i>Talina R. Mathews</i>
EFFECTIVE 2/7/2017 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)