

Louisville Gas and Electric Company

P.S.C. Gas No. 11, 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, FT, SGSS, DGGs, and LGDS.

CANCELLED
MAY 01 2018
 KENTUCKY PUBLIC
 SERVICE COMMISSION

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

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 the Company's most recent general rate case.

A filing to update the projected program costs will be submitted annually. The filing will reflect the anticipated impact on the Company's revenue requirements of net plant additions expected during the current year. At the same time, 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 for services rendered on and after the first day of the following month after the effective date of such change.

RATES

The charges for the respective gas service schedules are:

	Distribution Projects (\$/delivery point)	Transmission Projects (\$/Ccf)	
RGS – Residential Gas Service	\$ 0.71	\$0.00065	R/N
VFD – Volunteer Fire Department Service	0.71	0.00065	R/N
CGS – Commercial Gas Service	3.53	0.00050	R/N
IGS – Industrial Gas Service	43.93	0.00020	R/N
AAGS – As-Available Gas Service	43.93	0.00020	R/N
SGSS – Substitute Gas Sales Service	3.53	0.00050	N
DGGs – Distributed Generation Gas Service	43.93	0.00020	I/N
FT – Firm Transportation Service	0.00	0.00003	N
LGDS – Local Gas Delivery Service	0.00	0.00003	N

DATE OF ISSUE: July 7, 2017

DATE EFFECTIVE: July 1, 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.
2016-00371 dated June 22, 2017 and modified June 29, 2017**

KENTUCKY PUBLIC SERVICE COMMISSION
John Lyons ACTING EXECUTIVE DIRECTOR
EFFECTIVE 7/1/2017 <small>PURSUANT TO 807 KAR 5:011 SECTION 9 (1)</small>