



a PPL company

Mr. Ralph Bowling  
Vice President – Power Production  
Louisville Gas and Electric Company  
Kentucky Utilities Company  
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Louisville, Kentucky 40202

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May 14, 2019

**RE: Application of Louisville Gas and Electric Company For An Adjustment of Its Electric and Gas Rates**  
**Case No. 2018-00295**

Dear Mr. Bowling:

On September 28, 2018, Louisville Gas and Electric Company (“LG&E”) filed an application with the Kentucky Public Service Commission (“Commission”) for approval of adjustments to its gas and electric rates, terms, and conditions including the rates contained in the special contract under which LG&E and Kentucky Utilities Company (“KU”), on behalf of their Electric Generation Business, receive natural gas sales and transportation service under a special contract for the Mill Creek facilities.

On March 1, 2019, LG&E filed a Stipulation and Recommendation with the Commission proposing rates lower than those originally proposed in the Application dated September 28, 2018. On April 30, 2019, after evidentiary hearings, the Commission issued an Order approving the Stipulation with modifications.

The revisions applicable to gas service under the special contract with service rendered on and after May 1, 2019, are set forth below:

A portion of the special contract for service to the Mill Creek facility incorporates by reference sales service provided under LG&E’s Firm Industrial Gas Rate IGS. The Sales Customer Charge for the Firm Industrial Gas Rate IGS will change from a monthly charge of \$750.00 to a daily Customer Charge. However, the special contract for service to the Mill Creek facility will

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>Gwen R. Pinson</b> Executive Director
<b>EFFECTIVE</b> <b>5/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Mr. Ralph Bowling  
May 14, 2019

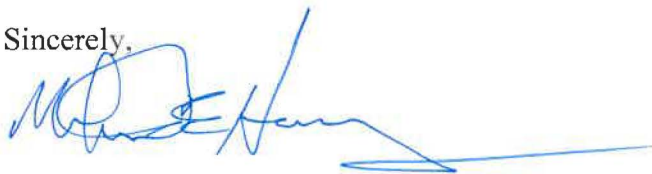
a Monthly Sales Customer Charge of \$750.00. The Demand Charge of \$10.8978 per Mcf and Distribution Charge of \$0.2992 per Mcf will also remain the same.

Since the rates for the Mill Creek facility will remain unchanged, the annual billings to LG&E's and KU's electric generation businesses will remain unchanged based on the forecasted pro-forma results for the 12 months ended April 30, 2020.

All other provisions of your contract, not specifically mentioned herein, remain the same as those in effect to the date of the Commission's Order of April 30, 2019, and all other Tariffs and Riders applicable to this contract will continue to apply.

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

Sincerely,



Michael E. Hornung

