

Louisville Gas and Electric Company

Second Revision of Original Sheet No. 1
P.S.C. of Ky. Gas No. 6

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CANCELLED

 NOV 2004

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 10/1/2004
 PURSUANT TO 807 KAR 5:011

Date of Issue: October 7, 2004
Canceling First Revision of
Original Sheet No. 1
Issued July 29, 2004

Issued By

Date Effective: October 1, 2004


Michael S. Beer, Vice President
 Louisville, Kentucky


 By _____
 Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00304 dated September 30, 2004

GENERAL INDEX			
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PUBLIC SERVICE COMMISSION
OF KENTUCKY
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 By 

Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

Louisville Gas and Electric Company

Original Sheet No. 1
P.S.C. of Ky. Gas No. 6

GENERAL INDEX		
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PUBLIC SERVICE COMMISSION
 OF KENTUCKY
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 SECTION 9 (1)

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Date Effective: With Service Rendered After


Michael S. Beer, Vice President
 Louisville, Kentucky


 Executive Director

Louisville Gas and Electric Company

Second Revision of Original Sheet No. 5
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE RGS Residential Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for residential customers.

RATE

Customer Charge:	\$8.50 per delivery point per month
Charge Per 100 Cubic Feet:	
Distribution Cost Component	\$0.15470
Gas Supply Cost Component	0.84857
Total Charge Per 100 Cubic Feet	\$1.00327

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76
Home Energy Assistance Program	Sheet No. 77

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: October 7, 2004
Canceling First Revision of
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Issued By


Michael S. Beer, Vice President
Louisville, Kentucky

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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Date Effective: October 1, 2004

By 
Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00304 dated September 30, 2004

Louisville Gas and Electric Company

First Revision of Original Sheet No. 5
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE RGS Residential Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for residential customers.

RATE

Customer Charge:	\$8.50 per delivery point per month
Charge Per 100 Cubic Feet:	
Distribution Cost Component	\$0.15470
Gas Supply Cost Component	0.84857
Total Charge Per 100 Cubic Feet	\$1.00327

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

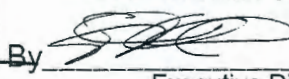
Service will be furnished under Company's Terms and Conditions applicable hereto.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
8/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date of Issue: July 29, 2004
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Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

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OCT 2004

Louisville Gas and Electric Company

Original Sheet No. 5
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE RGS Residential Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for residential customers.

RATE

Customer Charge: \$8.50 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component 15.470¢

Gas Supply Cost Component 74.885

Total Charge Per 100 Cubic Feet 90.355¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism
Weather Normalization Adjustment
Franchise Fee and Local Tax
Value Delivery Surcredit Rider
School Tax

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Sheet No. 73
Sheet No. 74
Sheet No. 75
Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

PUBLIC SERVICE COMMISSION
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7/1, 2004

By 
Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2003-00433 dated June 30, 2004

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**STANDARD RATE SCHEDULE VFD
Volunteer Fire Department Service**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

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NOV 2004

RATE

Customer Charge: \$8.50 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	\$0.15470
Gas Supply Cost Component	0.84857
Total Charge Per 100 Cubic Feet	\$1.00327

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

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Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

PUBLIC SERVICE COMMISSION
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Canceling Original Sheet No. 6
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Date Effective: August 1, 2004


 By _____
Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

STANDARD RATE SCHEDULE **VFD**
Volunteer Fire Department Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

RATE

Customer Charge: \$8.50 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	15.470¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	90.355¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Demand Side Management Cost Recovery Mechanism
- Weather Normalization Adjustment
- Franchise Fee and Local Tax
- Value Delivery Surcredit Rider
- School Tax

CANCELLED

AUG - 1 2004

Sheet No. 71

Sheet No. 73

Sheet No. 74

Sheet No. 75

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LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

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PUBLIC SERVICE COMMISSION
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SECTION 9 (1)

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and After
7/1, 2004

[Signature]
By
Michael S. Beer, Vice President
Louisville, Kentucky

[Signature]
Executive Director

**STANDARD RATE SCHEDULE CGS
Firm Commercial Gas Service**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

RATE

Customer Charge

If all of the customer's meters have a capacity < 5000 cf/hr: \$ 16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component	14.968¢
Gas Supply Cost Component	84.857
Total Charge Per 100 Cubic Feet	99.825¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

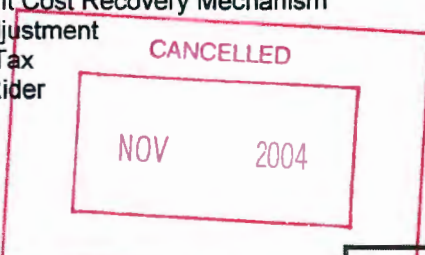
Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Weather Normalization Adjustment	Sheet No. 73
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76



MINIMUM CHARGE

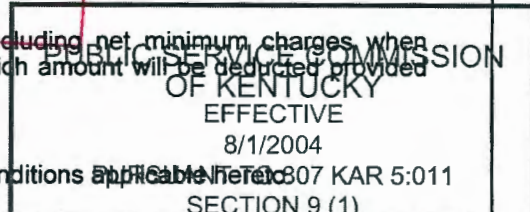
The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable thereto.



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Date Effective: August 1, 2004

[Signature] By *[Signature]*
Michael S. Beer, Vice President Executive Director
Louisville, Kentucky

**STANDARD RATE SCHEDULE CGS
Firm Commercial Gas Service**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

RATE

Customer Charge

If all of the customer's meters have a capacity < 5000 cf/hr. \$ 16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr. \$117.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component	14.968¢
Gas Supply Cost Component	74.885
Total Charge Per 100 Cubic Feet	89.853¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Demand Side Management Cost Recovery Mechanism
- Weather Normalization Adjustment
- Franchise Fee and Local Tax
- Value Delivery Surcredit Rider
- School Tax

CANCELLED

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Sheet No. 73
Sheet No. 74
Sheet No. 75
Sheet No. 76

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MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be rendered when bill is paid within 15 days from date.

TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date of Issue: July 20, 2004

Issued By

**Date Effective: With Service Rendered
and After
1, 2004**

[Signature]
By *[Signature]*
Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

Louisville Gas and Electric Company

First Revision of Original Sheet No. 15
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE IGS Firm Industrial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component 14.968¢

Gas Supply Cost Component 84.857

Total Charge Per 100 Cubic Feet 99.825¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism

Franchise Fee and Local Tax

Value Delivery Surcredit Rider

School Tax

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Sheet No. 74

Sheet No. 75

Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE


The bill will be rendered at the above net charges (including net minimum charges where applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

TERMS AND CONDITIONS

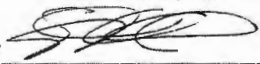
Service will be furnished under Company's Terms and Conditions applicable hereto.

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Issued July 20, 2004

Issued By


Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: August 1, 2004


Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00271 dated July 23, 2004

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
8/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Louisville Gas and Electric Company

Original Sheet No. 15
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE IGS Firm Industrial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:

If all of the customer's meters
have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters
have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	14.968¢
Gas Supply Cost Component	74.885
Total Charge Per 100 Cubic Feet	89.853¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

Off-Peak Pricing Provision:

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ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism
Franchise Fee and Local Tax
Value Delivery Surcredit Rider
School Tax

CANCELLED
Sheet No. 71
Sheet No. 74
Sheet No. 75 - 1 2004
Sheet No. 76

MINIMUM CHARGE

The customer charge.

LATE PAYMENT CHARGE

The bill will be rendered at the above net charges (including net minimum charges when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.


TERMS AND CONDITIONS

Service will be furnished under Company's Terms and Conditions applicable hereto.

Date of Issue: July 20, 2004

Issued By

Date Effective: With Service Rendered
and After
July 1, 2004


By
Michael S. Beer, Vice President
Louisville, Kentucky


Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2003-00433 dated June 30, 2004

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Louisville Gas and Electric Company

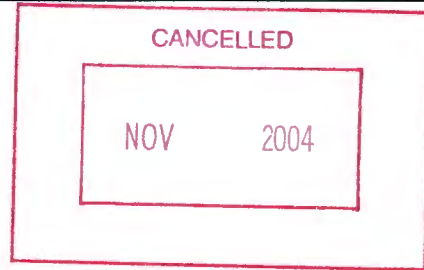
First Revision of Original Sheet No. 20.1
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE AAGS As-Available Gas Service

RATE

Customer Charge:
\$150.00 per delivery point per month

Charge Per Mcf	
Distribution Cost Component	\$.5252
Gas Supply Cost Component	<u>8.4857</u>
Total Charge Per Mcf	\$9.0109



The "Gas Supply Cost Component" as shown above is the cost per Mcf determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

PENALTY FOR FAILURE TO INTERRUPT

Company shall have the right to interrupt sales service under this rate schedule upon eighteen (18) hours' prior notice. Provision of oral notice by telephone to Customer shall be deemed proper notice of interruption of service under this rate schedule.

In addition to the charges set forth above, if the Customer fails to discontinue the consumption of natural gas at its facility at the conclusion of the eighteen- (18-) hour notice period, the Company may charge the Customer the following penalty for each Mcf used during the period of interruption in addition to any other remedy available to Company, including, but not limited to, immediate termination of service under this rate schedule, irrespective of the provisions set forth on "Contract Term", and immediate transfer by Company to either Rate CGS or Rate IGS, as applicable.

Customer shall be charged a per Mcf penalty charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion-South Point on the day to which such interruption of service is applicable, plus any other charges under this rate schedule for such unauthorized usage by Customer that occurs following the conclusion of the eighteen- (18-) hour notice of interruption by Company to Customer.

If Customer is delivering quantities of gas to Company pursuant to Rate TS during such period of interruption, the charge described in the immediately preceding paragraph shall be applicable only to those quantities used by customer in excess of those being delivered by Customer to Company

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SECTION 9 (1)

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Issued July 20, 2004

Issued By

Date Effective: August 1, 2004

 By 
Michael S. Beer, Vice President
Louisville, Kentucky
Executive Director

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Louisville Gas and Electric Company

Original Sheet No. 20.1
P.S.C. of Ky. Gas No. 6

N

STANDARD RATE SCHEDULE AAGS
As-Available Gas Service

RATE

Customer Charge:
\$150.00 per delivery point per month

Charge Per Mcf	
Distribution Cost Component	\$.5252
Gas Supply Cost Component	<u>7.4885</u>
Total Charge Per Mcf	\$8.0137

The "Gas Supply Cost Component" as shown above is the cost per Mcf determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 70, 70.1 and 70.2 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 72 through 72.8, is included as a component of the Gas Supply Clause as shown on Sheet No. 70 of this Tariff.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism	Sheet No. 71
Franchise Fee and Local Tax	Sheet No. 74
Value Delivery Surcredit Rider	Sheet No. 75
School Tax	Sheet No. 76

PENALTY FOR FAILURE TO INTERRUPT

Company shall have the right to interrupt sales service under this rate schedule upon eighteen (18) hours' prior notice. Provision of oral notice by telephone to Customer shall be deemed proper notice of interruption of service under this rate schedule.

In addition to the charges set forth above, if the Customer fails to discontinue the consumption of natural gas at its facility at the conclusion of the eighteen- (18-) hour notice period, the Company may charge the Customer the following penalty for each Mcf used during the period of interruption in addition to any other remedy available to Company, including, but not limited to, immediate termination of service under this rate schedule, irrespective of the provisions set forth on "Contract Term", and immediate transfer by Company to either Rate CGS or Rate IGS, as applicable.

Customer shall be charged a per Mcf penalty charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion-South Point on the day to which such interruption of service is applicable, plus any other charges under this rate schedule for such unauthorized usage by Customer that occurs following the conclusion of the eighteen- (18-) hour notice of interruption by Company to Customer.

If Customer is delivering quantities of gas to Company pursuant to Rate TS during such period of interruption, the charge described in the immediately preceding paragraph shall be applicable only to those quantities used by customer in excess of those being delivered by Customer to Company.

CANCELLED
AUG - 1 2004

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EFFECTIVE
7/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
Date Effective: With Service Rendered
On and After
1, 2004

Date of Issue: July 20, 2004

Issued By

Date Effective: With Service Rendered


By
Michael S. Beer, Vice President
Louisville, Kentucky


Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2003-00433 dated June 30, 2004

STANDARD RATE SCHEDULE TS
Gas Transportation Service/Standby

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate AAGS who consume at least 50 Mcf each day during the billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE
In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

	CGS	IGS	AAGS
Distribution Charge Per Mcf	\$1.4968	\$1.4968	\$.5252
Pipeline Supplier's Demand Component	.8789	.8789	.8789
Total	\$2.3757	\$2.3757	\$1.4041

The "Distribution Charge" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's Gas Supply Clause.

ADJUSTMENT CLAUSES
The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Demand Side Management Cost Recovery Mechanism
- Franchise Fee and Local Tax
- Value Delivery Surcredit Rider
- School Tax

- Sheet No. 71
- Sheet No. 74
- Sheet No. 75
- Sheet No. 76

CANCELLED
NOV 2004

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OF KENTUCKY
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8/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

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Canceling Original Sheet No. 25
Issued July 20, 2004

Issued By

Date Effective: August 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

Louisville Gas and Electric Company

Original Sheet No. 25
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE TS Gas Transportation Service/Standby

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate AAGS who consume at least 50 Mcf each day during the billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

	CGS	IGS	AAGS
Distribution Charge Per Mcf	\$1.4968	\$1.4968	\$.5252
Pipeline Supplier's Demand Component	.7365	.7365	.7365
Total	\$2.2333	\$2.2333	\$1.2617

The "Distribution Charge" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's Gas Supply Clause.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Demand Side Management Cost Recovery Mechanism
Franchise Fee and Local Tax
Value Delivery Surcredit Rider
School Tax

Sheet No. 71
Sheet No. 74
Sheet No. 75
Sheet No. 76

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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7/1/2004
PURSUANT TO 807 KAR 5:011

Date of Issue: July 20, 2004

Issued By

Date Effective: With Service Rendered

[Signature]
By
Michael S. Beer, Vice President
Louisville, Kentucky

SECTION 9 (1)
On and After
1, 2004
Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2003-00433 dated June 30, 2004

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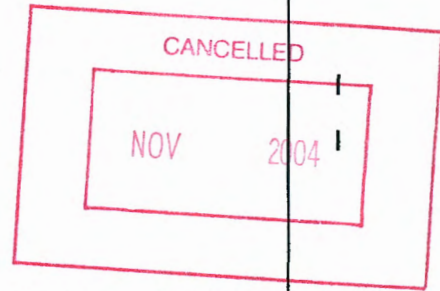
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STANDARD RATE SCHEDULE FT
Firm Transportation Service (Non-Standby)

Daily Demand Charge: \$0.2105 per Mcf
Daily Storage Charge: 0.1200
Utilization Charge for Daily Imbalances: \$0.3305 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.



These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed ±10% of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion South Point on the day for which the OFO was violated, plus any other charges under this rate schedule for such unauthorized receipts or deliveries that occur twenty-four (24) hours after notice of the OFO is provided to the Customer or that fall outside the ±10 percent imbalance tolerance regardless of the notice.

Company will not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of an OFO. Payment of charges hereunder shall not be considered an exclusive remedy for failure to comply with the terms or conditions of an OFO. Such charges be considered a substitute for any other remedy available to the Commission.

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8/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date of Issue: July 29, 2004
Canceling Original Sheet No. 30.3
Issued July 20, 2004

Issued By

Date Effective: August 1, 2004

[Signature] By *[Signature]*
Michael S. Beer, Vice President Executive Director
Louisville, Kentucky

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

Daily Demand Charge:	\$0.1701 per Mcf
Daily Storage Charge:	<u>0.1200</u>
Utilization Charge for Daily Imbalances:	\$0.2901 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.

These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed ±10% of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in "Gas Daily" for Dominion South Point on the day for which the OFO was violated, plus any other charges under this rate schedule for such unauthorized receipts or deliveries that occur twenty-four (24) hours after notice of the OFO is provided to the Customer or that fall outside the ±10 percent imbalance tolerance regardless of the notice.

Company will not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of an OFO. Payment of charges hereunder shall not be considered an exclusive remedy for failure to comply with the OFO, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/1/2004
PURSUANT TO 807 KAR 5:011

Date of Issue: July 20, 2004

Issued By

Date Effective: May 1, 2004
Refiled: July 20, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2003-00433 dated June 30, 2004

Louisville Gas and Electric Company

First Revision of Original Sheet No. 53
P.S.C. of Ky. Gas No. 6

STANDARD RIDER

RBS

Reserved Balancing Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT" or to FT Pool Managers served under Pooling Service-Rate FT.

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 6.4000 per Mcf
Monthly Balancing Charges:	<u>3.6500</u>
Total:	\$10.0500 per Mcf

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed $\pm 10\%$ of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from the difference calculated above. If the result is a negative number, no Utilization Charge for Daily Imbalances will be applied. If the result is positive the Utilization Charge for Daily Imbalances will be applied to the positive value.

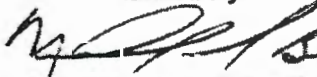
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NOV 2004

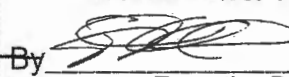
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8/1/2004
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SECTION 9 (1)

Date of Issue: July 29, 2004
Canceling Original Sheet No. 53
Issued July 20, 2004

Issued By

Date Effective: August 1, 2004


Michael S. Beer, Vice President
Louisville, Kentucky


Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00274 dated July 23, 2004

STANDARD RIDER

RBS

Reserved Balancing Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT" or to FT Pool Managers served under Pooling Service-Rate FT.

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 5.1700 per Mcf
Monthly Balancing Charges:	<u>3.6500</u>
Total:	\$ 8.8200 per Mcf

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed ±10% of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from the difference calculated above. If the result is a negative number, no Utilization Charge for Daily Imbalances will be applied. If the result is positive the Utilization Charge for Daily Imbalances will be applied to the positive value.

CANCELLED

AUG - 1 2004

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/1/2004
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Date of Issue: July 20, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

SECTION 9 (1)
Date Effective: May 1, 2004
Refiled: July 20, 2004

By Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2003-00433 dated June 30, 2004

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Louisville Gas and Electric Company

First Revision of Original Sheet No. 70
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

APPLICABLE TO

All gas sold.

GAS SUPPLY COST COMPONENT (GSCC)

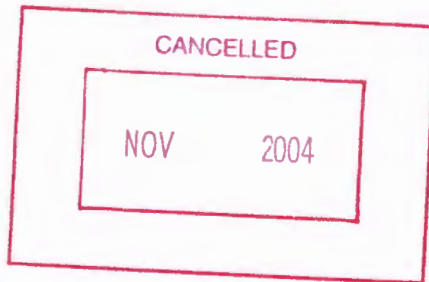
Gas Supply Cost	79.764¢
Gas Cost Actual Adjustment (GCAA)	(0.173)
Gas Cost Balance Adjustment (GCBA)	4.182

Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:

None Applicable

Performance-Based Rate Recovery Component (PBRRC) 1.084

Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC) 84.857¢


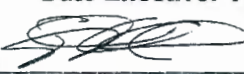


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8/1/2004
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SECTION 9 (1)

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Issued July 20, 2004

Issued By

Date Effective: August 1, 2004


By 
Michael S. Beer, Vice President
Louisville, Kentucky

Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00274 dated July 23, 2004

Louisville Gas and Electric Company

Original Sheet No. 70
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE	GSC
Gas Supply Clause	
APPLICABLE TO All gas sold.	
GAS SUPPLY COST COMPONENT (GSCC)	
Gas Supply Cost	67.718¢
Gas Cost Actual Adjustment (GCAA)	5.932
Gas Cost Balance Adjustment (GCBA)	0.151
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:	
None Applicable	
Performance-Based Rate Recovery Component (PBRRC)	
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	

~~1.084~~ CANCELLED
AUG 1 2004
74.885¢

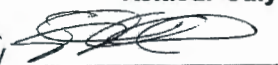
PUBLIC SERVICE COMMISSION
OF KENTUCKY
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7/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 5.7

Date of Issue: July 20, 2004

Issued By

Date Effective: May 1, 2004
Refiled: July 20, 2004


Michael S. Beer, Vice President
Louisville, Kentucky


Executive Director

Issued By Authority of an Order of the K.P.S.C. in Case No. 2003-00433 dated June 30, 2004

LOUISVILLE GAS AND ELECTRIC COMPANY

of

220 West Main Street

Louisville, Kentucky

Rates, Rules and Regulations for Furnishing

NATURAL GAS SERVICE

in

Entire Service Area of the Company

Filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

CANCELLED

JUL - 1 2004

Date of Issue

October 16, 2000

Date Effective

September 27, 2000

Issued by

Robert M. Hewett, Group Executive
Louisville, Kentucky

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 27 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephen O. Bell
SECRETARY OF THE COMMISSION

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 CANCELLED
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 JUL - 1 2004

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**


AUG 01 2002

**PURSUANT TO 807 KAR 5:011.
SECTION 9 (1)**

BY Jerhard Bell
SECRETARY OF THE COMMISSION

Date of Issue: June 6, 2002
Canceling Third Revision of
Original Sheet No. 1
Issued December 7, 2001

Issued By


Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: August 1, 2002

STANDARD RATE SCHEDULE

RGS

Residential Rate

APPLICABLE

In all territory served.

AVAILABILITY

Available for residential customers.

RATE

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	88.342¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM & ENERGY EFFICIENCY COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1) CANCELLED

BY *Charles W. Dorn*
EXECUTIVE DIRECTOR

Date Effective: May 1, 2004

Date of Issue: May 4, 2004
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Original Sheet No. 2
Issued January 30, 2004

Issued By
Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS

APPLICABLE

To Gas Service Rate RGS.

AVAILABILITY

Available to any customer who takes gas service under Rate RGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:

Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	83.342¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

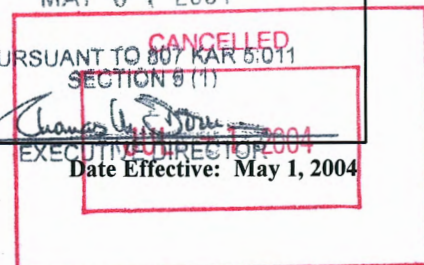
The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE


MAY 01 2004

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

BY  EXECUTIVE DIRECTOR
Date Effective: May 1, 2004



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Original Sheet No. 2-A
Issued January 30, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS (Continued)

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

For each of the aforesaid five billing periods, all gas consumption in excess of 5,000 cubic feet per single family dwelling unit shall be taken as the Summer Air Conditioning Consumption.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

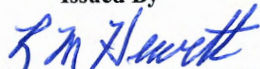
SEP 27 2000

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: Stephan D ~~CANCELLED~~
SECRETARY OF THE COMMISSION

Date of Issue: October 16, 2000

Issued By



R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: ~~September 27, 2000~~ JUL - 1 2004

N

STANDARD RIDER

HEA

Home Energy Assistance

APPLICABLE

In all territory served by the Company.

AVAILABILITY

To all residential customers.

RATE

10¢ per meter per month.

BILLING

The HEA charge shall be shown as a separate item on customer bills.

SERVICE PERIOD

The Home Energy Assistance charge will be applied to all residential gas bills rendered during the billing cycles commencing February 1, 2002 through May 31, 2002, or as otherwise directed by the Public Service Commission. Proceeds from this charge will be used to fund residential low-income demand-side management Home Energy Assistance programs which have been designed through a collaborative advisory process.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

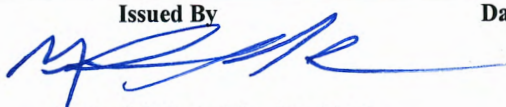
FEB 01 2002

PERMITS TO SUPPLY GAS
SECTION 9 CANCELLED
BY Michael S. Beer
SECRETARY OF THE COMMISSION

JUL - 1 2001

Date of Issue: April 22, 2002

Issued By



Date Effective: With Bills Rendered
On and After
February 1, 2002

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

CGS

Firm Commercial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

RATE

Customer Charge

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component 13.457¢

Gas Supply Cost Component 74.885

Total Charge Per 100 Cubic Feet 88.342¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

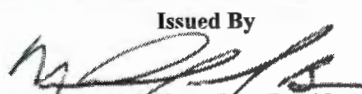
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 01 2004 CANCELLED

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY Charles R. Orr Date Effective: May 1, 2004
EXECUTIVE DIRECTOR

Date of Issue: May 4, 2004
Canceling Seventeenth Revision of
Original Sheet No. 3
Issued January 30, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS

APPLICABLE

To Gas Service Rate CGS.

AVAILABILITY

Available to any customer who takes gas service under Rate CGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet

Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	83.342¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM Cost Recovery Mechanism:

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 01 2004
CANCELLED

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY  ~~_____~~ Date Effective: ~~May 1, 2004~~ **May 1, 2004**
EXECUTIVE DIRECTOR

Date of Issue: May 4, 2004
Canceling Seventeenth Revision of
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Issued January 30, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS (Continued)

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

1. Where the only gas usage during the aforesaid five billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such five periods shall all be taken as the Summer Air Conditioning Consumption.
2. Where gas is used during the aforesaid five billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the seven remaining billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate CGS.
3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 27 2000

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan D. BOG **CANCELLED**
SECRETARY OF THE COMMISSION

JUL - 1 2004

Date Effective: September 27, 2000

Date of Issue: October 16, 2000

Issued By



R.M. Hewett, Group Executive
Louisville, Kentucky

N

STANDARD RATE SCHEDULE

IGS

Firm Industrial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	88.342¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

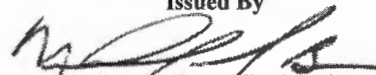
MAY 01 2004

PURSUANT TO 307 KAR 5.011
SECTION 9 (1)

BY: 
EXECUTIVE DIRECTOR

Date Effective: May 1, 2004

Date of Issue: May 4, 2004
Canceling Seventeenth Revision of
Original Sheet No. 4
Issued January 30, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

APPLICABLE

To Gas Service Rate IGS.

AVAILABILITY

Available to any customer who takes gas service under Rate IGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet	
Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	83.342¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 01 2004
CANCELLED

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY Michael S. Beer Date Effective: May 1, 2004
EXECUTIVE DIRECTOR

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Original Sheet No. 4-A
Issued January 30, 2004

Issued By
Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS (Continued)

DETERMINATION OF SUMMER AIR CONDITIONING CONSUMPTION

The Summer Air Conditioning Consumption shall be determined as follows:

1. Where the only gas usage during the aforesaid five billing periods is considered to be for summer air conditioning purposes (this being the case when gas is used only for summer air conditioning or only for space heating and summer air conditioning), the consumption recorded on the regular meter during such five periods shall all be taken as the Summer Air Conditioning Consumption.
2. Where gas is used during the aforesaid five billing periods for purposes other than space heating and summer air conditioning and where summer air conditioning usage during such periods can be isolated from such other gas usage in such a way as to permit separate metering of summer air conditioning usage, the Summer Air Conditioning Consumption will be determined by separate metering. During the seven remaining billing periods the readings of such separate meter will be combined with those of the regular meter for billing at the regular charges set forth in Rate IGS.
3. Where it is not possible to determine the Summer Air Conditioning Consumption by metering as provided in (1) or (2) above, the Summer Air Conditioning Consumption during each of the aforesaid billing periods shall be taken as 6,000 cubic feet for each ton of installed cooling capacity, but not more than the total consumption recorded by the meter during such billing period. For this purpose, the capacity of air conditioning equipment will be determined by American Refrigeration Institute ratings.

OTHER TERMS AND CONDITIONS

This rate shall not be available for summer air conditioning equipment used occasionally or sporadically, it being contemplated that equipment served hereunder will operate for not less than 800 hours in a normal summer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 27 2000

PURSUANT TO 807 KAR 5:011,

SECTION 9 (1)

BY: Stephan O Bell
SECRETARY OF THE COMMISSION

Date Effective: JUL - 1 2004 September 27, 2000

Date of Issue: October 16, 2000

Issued By

R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

N

STANDARD RATE SCHEDULE

VDF

Volunteer Fire Department Rate

APPLICABLE

In all territory served by the Company.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

RATE

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	88.342¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

MINIMUM BILL

The Customer Charge will be the minimum bill.

ADJUSTMENT CLAUSES

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with:

Demand Side Management Cost Recovery Mechanism	Sheet No. 11
Value Delivery Surcredit	Sheet No. 11-F
Franchise Fee	Sheet No. 11-G

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

RULES AND REGULATIONS

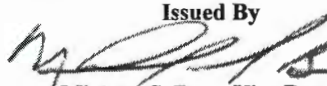
Service under this rate schedule is subject to the Company's rules and regulations of terms and conditions as approved by the Public Service Commission of Kentucky and as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

CANCELLED
MAY 01 2004

PURSUANT TO 807 KAR 5011/2004
SECTION 9(1)
Date Effective: May 1, 2004

Date of Issue: May 4, 2004
Canceling Seventh Revision of
Original Sheet No. 5
Issued January 30, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

By 
EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

G-6

Seasonal Off-Peak Gas Rate

APPLICABLE

In all territory served.

AVAILABILITY

Available during the 275-day period from March 15 to December 15 of each year to commercial and industrial customers using over 50,000 cubic feet of gas per day who can be adequately served from the Company's existing distribution system without impairment of service to other customers and who agree to the complete discontinuance of gas service for equipment served hereunder and the substitution of other fuels during the 3-month period from December 15 to March 15. No gas service whatsoever to utilization equipment served hereunder will be supplied or permitted to be taken under any other of the Company's gas rate schedules during such 3-month period. Any gas utilization equipment on customer's premises of such nature or used for such purposes that gas service thereto cannot be completely discontinued during the period from December 15 to March 15 will not be eligible for service under this rate, and gas service thereto must be segregated from service furnished hereunder and supplied through a separate meter at the Company's applicable standard rate for year-around service. This rate shall not be available for loads which are predominantly space heating in character or which do not consume substantial quantities of gas during the summer months.

RATE

Customer Charge: \$150.00 per delivery point per month

Charge Per 100 Cubic Feet


Distribution Cost Component	6.855¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	81.740¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.


DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

MAY 01 2004
 CANCELLED
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 BY  DATE EFFECTIVE: MAY 01, 2004
 EXECUTIVE DIRECTOR

Date of Issue: May 4, 2004
Canceling Seventeenth Revision of Original Sheet No. 6
Issued January 30, 2004

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

G-6

Seasonal Off-Peak Gas Rate (Continued)

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

MAXIMUM DIALY CONTRACT DELIVERY

The customer shall contract under this rate schedule for a specified quantity of gas stated in terms of maximum required deliveries per day. On no day will the Company be obligated to supply gas in excess of such contract quantity.

CURTAILMENT PROVISION

During the nine-month period of service availability hereunder, Company shall have the right to discontinue the supply of gas wholly or in part for such period or periods as, in the judgment of the Company, may be necessary or advisable to enable it to supply the full gas requirements of its customers served on a higher priority basis.

TERM OF CONTRACT

Minimum contract term for service under this schedule shall be for the period from March 15 (or date of initial deliveries hereunder, if after March 15) to December 15.

RESERVED RIGHT OF LIMITATION OF ADDITIONAL CONTRACTS

This gas rate schedule is predicated on the continuing availability to the Company of a sufficient quantity of seasonal off-peak gas to provide the service contracted for hereunder. The Company therefore reserves the right to decline acceptance of any additional contracts for service hereunder when, in the judgment of the Company, the volume of service already contracted for equals the gas supply which will be available for this class of service.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 27 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION
Date Effective: September 27, 2000

Date of Issue: October 16, 2000

Issued By

R. M. Hewett

R. M. Hewett, Group Executive
Louisville, Kentucky

STANDARD RATE SCHEDULE

G-7

Rate for Uncommitted Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

This rate schedule is designed to make available to commercial and industrial customers quantities of gas that Company may from time to time have available for sale without impairment of service to customers served under other rate schedules, and which can be supplied from Company's existing distribution system, subject to the special conditions hereinafter set forth.

RATE

Charge Per 100 Cubic Feet	
Distribution Cost Component	4.300¢
Gas Supply Cost Component	<u>74.885</u>
Total Charge Per 100 Cubic Feet	79.185

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheets Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

MINIMUM BILL

\$500 per month. Such monthly minimum bill will be applicable only when Company makes gas available during at least 15 days of the monthly billing period.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 01 2004

PURSUANT TO 807 KAR 5:011

SECTION 9.111 2004

Date Effective: May 1, 2004

BY *Charles L. Dorn*
EXECUTIVE DIRECTOR

Date of Issue: May 4, 2004
Canceling Seventeenth Revision of
Original Sheet No. 7
Issued January 30, 2004

Issued By
Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

G-7

Rate for Uncommitted Gas Service (Continued)

SPECIAL CONDITIONS

1. Each customer served hereunder will be required to enter into a written contract specifying, among other things, realistic monthly gas requirements for gas under this rate schedule. Such contracts will be used as the basis for apportionment of gas when the total customer requirements exceed the quantity of gas available for service hereunder.
2. Customer may take service hereunder only when notified by Company that he may do so; and shall discontinue taking service immediately upon notification by Company to do so.
3. Service will be supplied hereunder only at such times and in such volumes as Company, in its sole judgment, determines that gas is available for such service without impairment of service supplied under other rate schedules.
4. The Company will not be obligated to install or construct any facilities (other than necessary meters and regulators) in order to provide service hereunder.
5. This rate will not be available for gas loads which are predominantly space heating in character or which do not consume substantial quantities of gas during the summer months.
6. Service hereunder must be supplied through a separate meter where practicable. In cases where separate metering is not practicable, the volume supplied hereunder in any month will be taken as the excess over the Monthly Base Period Volume established in accordance with Company's Curtailment Rules.

COMPANY NOT OBLIGATED TO CONTINUE SERVICE

Service under this rate schedule shall be supplied only when gas is available after all requirements of other rate schedules have been met. Nothing herein shall prevent Company from expanding its obligations under such other rate schedules. Company may, upon notice, terminate any contract entered into hereunder, and may at any time decline to accept any additional contracts for service hereunder.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff, to the extent that such rules and regulations are not in conflict with nor inconsistent with the specific provisions hereon

PUBLIC UTILITIES COMMISSION
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SECTION 9(1) 2004

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BY: [Signature] SECRETARY OF THE COMMISSION

Date of Issue: October 16, 2000

Issued By

[Signature]
R. M. Hewett, Group Executive
Louisville, Kentucky

STANDARD RIDER

WNA

Weather Normalization Adjustment Clause Applicable to Rates RGS and CGS

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WEATHER NORMALIZATION ADJUSTMENT (WNA)

The sales to Residential and Commercial Customers under Rate Schedules RGS and CGS shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

Determination of WNA

Weather normalized volumes shall be utilized during the December through April billing months to calculate the non-gas portion of the bills of all heating Customers served under Rate Schedules RGS and CGS. During the remainder of the year, May through November, the monthly bills shall be computed based on actual consumption.

Weather Normalization Adjustment will be calculated using the following formula:

WNA = [(Actual Mcf - Base Load Mcf) * (Normal Degree Days/Actual Degree Days)]

Each Customer's base load will be determined individually, and will be recomputed annually. Rates used in the computation of the WNA shall be determined based on the applicable base rate charge as set forth on the RGS and CGS Rate Schedules.

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STANDARD RIDER

Gas Transportation Service/Standby - Rate TS

APPLICABLE

In all territory served.

AVAILABILITY

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate G-6 who consume at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

	<u>CGS</u>	<u>IGS</u>	<u>G-6</u>
Distribution Charge Per Mcf	\$1.3457	\$1.3457	\$.6855
Pipeline Supplier's Demand Component	<u>.7365</u>	<u>.7365</u>	<u>.7365</u>
Total	\$2.0822	\$2.0822	\$1.4220

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The "Distribution Charge" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's quarterly Gas Supply Clause.

DSM COST RECOVERY MECHANISM

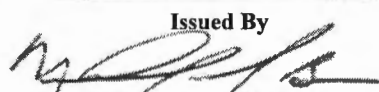
The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

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Louisville, Kentucky

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EXECUTIVE DIRECTOR

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS (Continued)

IMBALANCES

Company will calculate on a monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volumes}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volumes}}$$

CASH-OUT PROVISION FOR POSITIVE MONTHLY IMBALANCES (STANDBY SERVICE)

Company will provide standby quantities of natural gas hereunder for purposes of supplying Customers' requirements should Customer be unable to obtain sufficient transportation volumes. Such standby service will be provided at the same rates and under the same terms and conditions as those set forth in the Company's applicable rate schedule under which it sells gas to Customer.

CASH-OUT PROVISION FOR NEGATIVE MONTHLY IMBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from customer at a price which is determined by multiplying the appropriate percentage specified below times the monthly average of the daily mid-point prices posted in "Gas Daily" for Dominion South Point for the month during which the negative imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly negative imbalance percentage to be applied as follows:

When Total Net
Negative Balance
Percentage is:

The following percentage shall
be multiplied by the monthly average
"Gas Daily" Price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	90%
>10% to ≤15%	80%
>15% to ≤20%	70%
>20%	

PUBLIC SERVICE COMMISSION
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BY: *Stephen O. B...*
Date Effective: November 1, 2000

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R. M. Hewett

R. M. Hewett, Group Executive
Louisville, Kentucky

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS (Continued)

The monthly imbalance percentages stated above will be used to calculate the cash-out price for negative imbalances that fall within each category. For example, a Customer with a negative monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's monthly bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

Variations in MMBtu Content:

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following month's bill.

SPECIAL TERMS AND CONDITIONS

1. Service under this rider shall be performed under a written contract between Customer and Company setting forth specific arrangements as to volumes to be transported by Company for Customer, points of delivery, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.
2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours' prior notice of any subsequent changes to scheduled deliveries.
3. In no case will Company be obligated to supply gas to Customer, including both gas sold to Customer and gas transported hereunder, at greater volumes and greater rates of flow than those historically purchased by Customer from Company.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its pipeline transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any Customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.

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SECRETARY OF THE COMMISSION

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS (Continued)

- 7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will provide standby quantities of natural gas to Customer as set forth in Customer's standard rate schedule CGS, IGS, or G-6. In the event of an interruption of sales service to a Customer served under Rate G-6, as provided for in that rate schedule, Company shall continue to deliver quantities of customer-owned natural gas in amounts equal to such quantities being delivered by pipeline transporter for Customer. During such periods of interruption, a Customer served under Rate G-6 shall not take quantities of natural gas in excess of those being delivered to Company on Customer's behalf. If Customer takes natural gas in excess of such quantities, Customer shall be subject to penalties in accordance with Company's Curtailment Rules.

APPLICABILITY OF RULES

Service under this rider is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff, to the extent that such rules and regulations are not in conflict with nor inconsistent with the specific provisions hereof.

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STANDARD RIDER

PS-TS

PUBLIC SERVICE COMMISSION
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Pooling Service - Rate TS

APPLICABLE

In all territory served.

SEP 27 2000

AVAILABILITY

Available to "TS Pool Managers".

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: *Stephan O. Bell*
SECRETARY OF THE COMMISSION

For the purpose of this rider a "TS Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate TS to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

RATE

In addition to any charges billed directly to TS Pool Manager or Customer as a result of the application of Rate TS or this rider, the following charge shall apply:

PS-TS Pool Administration Charge: \$75 per customer in TS Pool per month

CHARACTER OF SERVICE

Service under this rider allows a TS Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more standby sales transportation customers that comprise a PS-TS Pool.

The TS Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Cash-Out Provision of Rate TS shall be applied against the aggregate volume of all customers in a specific pool. The TS Pool Manager will be responsible for the payment of the PS-TS Pool Administration Charge and any Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate TS.

GENERAL TERMS AND CONDITIONS

1. No customer shall participate in a TS Pool that does not individually meet the availability conditions of Rate TS, and no customer shall participate in more than one pool concurrently. Likewise, customers served under seasonally interruptible Rate G-6 cannot be in the same pool with customers served under other sales rates.
2. To receive service hereunder, the PS-TS Pool Manager shall enter into a PS-TS Pool Management Agreement with Company and shall submit a PS-TS Application/Agency Agreement for each member of the pool, signed by both Customer and its TS Pool Manager. The PS-TS Pool Management Agreement shall set forth the specific obligations of the TS Pool Manager and Company under this rider. The PS-TS Application/Agency Agreement shall set forth the members of the pool.

The TS Pool Manager shall submit a signed PS-TS Pool Management Agreement and a PS-TS Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the TS Pool Manager of the date when

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R.M. Hewett
R.M. Hewett, Group Executive
Louisville, Kentucky

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SEP 27 2000

STANDARD RIDER

PS-TS

Pooling Service - Rate TS (Continued)

PERSUADE TO BOZ-KAH NOTT,
SECTION 9 (1)
BY: Stephen D. Hill
SECRETARY OF THE COMMISSION

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service hereunder will commence. A customer who terminates service under this rider or who desires to change TS Pool Managers shall likewise provide Company with a written notice at least four weeks prior to the end of a billing period.

3. The TS Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure TS Pool Manager's performance of its obligations under the PS-TS Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of a TS Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-TS Pool members, the general credit worthiness of the TS Pool Manager, and the TS Pool Manager's prior credit record with the Company, if any. In the event that the TS Pool Manager defaults on its obligations under this rider or the PS-TS Pool Management Agreement, Company shall have the right to use such cash deposit, or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy TS Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-TS Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
4. The TS Pool Manager shall provide Company with the written consent, in the form of a PS-TS Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the TS Pool Manager may provide written consent in the form of a PS-TS Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-TS Application/Agency Agreement.
5. The PS-TS Pool Management Agreement will be terminated by the Company upon four weeks written notice if a TS Pool Manager fails to meet any condition of this rider and/or Rate TS. The PS-TS Pool Management Agreement will also be terminated by the Company upon four weeks written notice if the TS Pool Manager has payments in arrears. Written notice of termination of the PS-TS Pool Management Agreement shall be provided both to the TS Pool Manager and to the individual members of the pool by the Company.
6. Company shall directly bill the TS Pool Manager for the PS-TS Pool Administration Charge, monthly cash-out charges or payments contained in Rate TS. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill then the TS Pool Manager will be considered in default.
7. Company shall directly bill the individual customers in the pool for all Distribution Charges, Customer Charges, and Administrative Charges as provided for in either Rate TS or Customer's otherwise applicable sales rate schedule to which Rate TS is a Rider.

Distribution Charges, CANCELLED
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R.M. Hewett, Group Executive
Louisville, Kentucky

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby)

APPLICABLE

In all territory served.

AVAILABILITY

Available to commercial and industrial customers who consume at least 50 Mcf each day at each individual Delivery Point, have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Company's system through the system of Company's Pipeline Transporter, and have requested Company to utilize its system to transport, by displacement, such customer-owned gas to Customer's place of utilization. Customers electing to transfer from another service shall notify Company on or before April 30 of each year in order to begin receiving service hereunder beginning November 1 of that year. Any such transportation service hereunder shall be conditioned on the Company being granted a reduction in billing demands by its Pipeline Transporter corresponding to the Customer's applicable transportation quantities.

Transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

CHARACTER OF SERVICE

Transportation service under this rate schedule shall be considered firm from the Receipt Point at Company's interconnection with its Pipeline Transporter ("Receipt Point") to the Delivery Point at the Customer's place of utilization ("Delivery Point"), subject to paragraph 6 of the Special Conditions.

The Company's sole obligation hereunder is to redeliver Customer's gas from the Receipt Point to the Delivery Point. Accordingly, Company has no obligation to deliver to the Customer a volume of gas, either daily or monthly, which differs from the volume delivered to the Company at the Receipt Point.

Company will provide service to meet imbalances only on an as-available basis. For purposes used herein, "Imbalances" are defined as the difference between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Point. When Company can provide such service, the Utilization Charge for Daily Imbalances shall apply to daily imbalances in excess of ±10% of the delivered volume of gas as set forth herein. Company shall issue an Operational Flow Order as set forth herein during periods when service cannot be provided to meet daily imbalances.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, and any other charges set forth herein, the following charges shall apply:

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SECRETARY OF THE COMMISSION

Louisville Gas and Electric Company

First Revision of Original Sheet No. 10-A

P. S. C. of Ky. Gas No. 5

STANDARD RATE SCHEDULE

FT

**PUBLIC SERVICE COMMISSION
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Firm Transportation Service (Non-Standby) (Continued)

Administration Charge: \$90.00 per Delivery Point per month

NOV 01 2000

Distribution Charge Per Mcf: \$0.43

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION

DSM COST RECOVERY MEHCANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in the program pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

IMBALANCES

Company will calculate on a daily and monthly basis the Customer's imbalance resulting from the difference between the metered usage of the Customer and the volumes that the Customer has delivered into the Company's system. This will be calculated as follows:

$$\text{Imbalance} = \text{Metered Usage} - \text{Delivered Volume}$$

The Company will also determine the imbalance percentage. This percentage will be calculated as follows:

$$\text{Imbalance \%} = \frac{(\text{Metered Usage} - \text{Delivered Volumes})}{\text{Delivered Volume}}$$

The term daily shall mean the period of twenty-four (24) consecutive hours beginning at 10:00 a. m., Eastern Clock Time.

CASH-OUT PROVISION FOR MONTHLY INBALANCES

If the monthly imbalance is negative (an over-delivery into the Company's system), Company shall purchase the monthly imbalance from Customer at a price which is determined by multiplying the appropriate percentage specified below times the monthly average of the daily mid-point prices posted in "Gas Daily" for Dominion South Point for the month during which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

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R. M. Hewett, Group Executive
Louisville, Kentucky

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

When Total Net
Negative Imbalance
Percentage is:

The following percentage shall be
multiplied by the monthly average
"Gas Daily" price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	90%
>10% to ≤15%	80%
>15% to ≤20%	70%
>20%	60%

If the monthly imbalance is positive (an under-delivery into the Company's system), Customer shall be billed for the monthly imbalance from Company at a price which is determined by multiplying the appropriate percentage specified below times the monthly average of the daily mid-point prices posted in "Gas Daily" for Dominion South Point for the month during which the imbalance occurred. The appropriate percentage shall be dependent on the Customer's monthly imbalance percentage to be applied as follows:

When Total Net
Positive Imbalance
Percentage is:

The following percentage shall be
multiplied by the monthly average
"Gas Daily" price for Dominion South Point:

0% to ≤5%	100%
>5% to ≤10%	110%
>10% to ≤15%	120%
>15% to ≤20%	130%
>20%	140%

The monthly imbalance percentages stated above will be used to calculate the cash-out price for imbalances that fall within each category. For example, a Customer with a monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the Customer's monthly bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rate schedule.

VARIATIONS IN MMBTU CONTENT

Changes in billings of the "cash-out" provision caused by variations in the MMBtu content of the gas shall be corrected on the following month's bill.

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STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

UTILIZATION CHARGE FOR DAILY IMBALANCES

Should an imbalance exceed ±10% of the delivered volume of gas on any day when an Operational Flow Order (as described below) has not been issued, then Company shall charge the Utilization Charge for Daily Imbalances times the recorded imbalance greater than ±10% of the delivered volume of gas for each daily occurrence. The Utilization Charge for Daily Imbalances is the sum of the following:

Daily Demand Charge:	\$0.1701 per Mcf
Daily Storage Charge:	<u>0.1200</u>
Utilization Charge for Daily Imbalances:	\$0.2901 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.

These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed ±10% of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.


OPERATIONAL FLOW ORDERS


Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in "Gas Daily"

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SECTION 9 (1)
BY  DATE EFFECTIVE May 1, 2004
EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

for Dominion South Point on the day for which the OFO was violated, plus any other charges under this rate schedule for such unauthorized receipts or deliveries that occur twenty-four (24) hours after notice of the OFO is provided to the Customer or that fall outside the ±10 percent imbalance tolerance regardless of the notice.

Company will not be required to provide service under this rate schedule for any Customer that does not comply with the terms or conditions of an OFO. Payment of charges hereunder shall not be considered an exclusive remedy for failure to comply with the OFO, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

OPTIONAL SALES AND PURCHASE TRANSACTION

Customer may agree to sell its natural gas supplies to Company, and Company may agree to purchase natural gas supplies from Customer under a written contract setting forth specific arrangements of the transaction. If Company purchases natural gas from Customer, such gas will not be redelivered to Customer, and Customer shall discontinue or otherwise interrupt the usage of such natural gas.

RETURN TO FIRM SALES SERVICE

Return to firm sales service is contingent upon the ability of Company to secure the appropriate quantities of gas supply and transportation capacity with the Company's Pipeline Transporter, as determined solely by the Company.

REMOTE METERING

Remote metering service shall be required as a prerequisite to the Customer obtaining service under this rate schedule. The remote metering devices will allow the Company to monitor the Customer's usage on a daily basis and bill the Customer on a monthly basis.

The Customer shall be responsible for the cost of this remote metering equipment and the cost of its installation.

The Customer shall be responsible for providing the necessary and adequate electric and telephone service to provide this metering by October 1st of the year that the Customer's Rate FT service becomes effective. The Customer shall be responsible for maintaining the necessary and adequate electric and telephone service to provide this metering.

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JUL 1 2004

SPECIAL TERMS AND CONDITIONS

- 1. Service under this rate schedule shall be performed under a written contract between Customer and Company setting forth specific arrangements as to the volumes to be transported by Company for Customer, Delivery Points, methods of metering, timing of receipts and deliveries of gas by Company, and any other matters relating to individual customer circumstances.

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Canceling Original Sheet No. 10-D
Issued October 16, 2000

Issued By

R. M. Hewitt

R. M. Hewitt, Group Executive
Louisville, Kentucky

Date Effective: November 1, 2000

PURSUANT TO KRS 190.010
SECTION 9(1)
BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

T

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STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

2. At least ten days prior to the beginning of each month, Customer shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for Customer's account. Customer shall give Company at least twenty-four hours written notice of any subsequent changes to scheduled deliveries of natural gas flow. Company will not be obligated to utilize its underground storage capacity for purposes of this service.
3. In no case will Company be obligated to transport greater quantities hereunder than those specified in the written contract between Customer and Company.
4. Volumes of gas transported hereunder will be determined in accordance with Company's measurement base as set forth in the General Rules of this Tariff.
5. All volumes of natural gas transported hereunder shall be of the same quality and meet the same specifications as that delivered to Company by its Pipeline Transporter.
6. Company will have the right to curtail or interrupt the transportation or delivery of gas to any customer hereunder when, in the Company's judgment, such curtailment is necessary to enable Company to respond to an emergency or force majeure condition.
7. Should Customer be unable to deliver sufficient volumes of transportation gas to Company's system, Company will not be obligated hereunder to provide standby quantities for purposes of supplying such Customer requirements.
8. Company shall not be required to render service under this rate schedule to any customer that fails to comply with any and all of the terms and conditions of this rate schedule.

APPLICABILITY OF RULES

Service under this rate is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff, to the extent that such rules and regulations are not in conflict with nor inconsistent with the specific provisions hereof.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: *Stephan D. Bell*
~~SECRETARY OF THE COMMISSION~~

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Date of Issue: October 16, 2000

Issued By

Date Effective: September 27, 2000

R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

STANDARD RATE SCHEDULE

RBS

Reserved Balancing Service

APPLICABLE

In all territory served.

AVAILABILITY

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT."

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 5.1700 per Mcf	R
Monthly Balancing Charges:	<u>3.6500</u>	
Total:	\$ 8.8200 per Mcf	R

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed ±10% of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from

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Issued By
[Signature]
BY *[Signature]*
Michael S. Beer, Vice President
Louisville, Kentucky
EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

RBS

Reserved Balancing Service (Continued)

the difference calculated above. If the result is a negative number, no Utilization Charge for Daily Imbalances will be applied. If the result is positive the Utilization Charge for Daily Imbalances will be applied to the positive value.

Except as specifically provided for herein, all rates, terms and conditions of Rate FT shall apply, including but not limited to the DSM Cost Recovery and Cash-Out Provisions for Monthly Imbalances. The Monthly Imbalance and Monthly Imbalance percentage used in the Cash-Out Provision for monthly imbalances shall not be adjusted by the Reserved Balanced Volume contracted for hereunder.

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PUBLIC SERVICE COMMISSION
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PURSUANT TO 807 KAR 5.011,

SECTION 9(1)

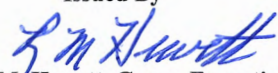
BY Stephan D. Bell
SECRETARY OF THE COMMISSION

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R.M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: September 27, 2000

STANDARD RATE SCHEDULE

PS-FT

Pooling Service - FT

N

APPLICABLE

In all territory served.

AVAILABILITY

Available to "FT Pool Managers".

For the purpose of this rider a "FT Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rate FT to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties.

RATE

In addition to any charges billed directly to FT Pool Manager or Customer as a result of the application of Rate FT or this rider, the following charge shall apply:

PS-FT Pool Administration Charge: \$75 per customer in FT Pool per month

CHARACTER OF SERVICE

Service under this rider allows an FT Pool Manager to deliver to the Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more firm transportation customers that comprise a PS-FT Pool.

The FT Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of customer(s) in the pool. The Daily Utilization Charge, OFO Penalty and Cash-Out Provision of Rate FT shall be applied against the aggregate volume of all customers in a specific pool. The FT Pool Manager will be responsible for the payment of the PS-FT Pool Administration Charge and any Daily Utilization Charges, OFO penalties or Monthly Cash-Out payments incurred by a specific pool as a result of imbalances under Rate FT. For purposes of this rider the Daily Utilization Charge shall apply to daily imbalances that exceed $\pm 5\%$, instead of the $\pm 10\%$ otherwise applicable in Rate FT. Company shall issue an Operational Flow Order as set forth in Rate FT to the FT Pool Manager during periods when service cannot be provided to meet daily imbalances.

GENERAL TERMS AND CONDITIONS

1. No customer shall participate in an FT Pool that does not individually meet the availability conditions of Rate FT, and no customer shall participate in more than one pool concurrently. Unless a Customer meets the provisions of the Remote Metering requirement under Rate FT, that Customer shall not participate in a pool.

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R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

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STANDARD RATE SCHEDULE

PS-FT

Pooling Service FT (Continued)

SECTION 9 (1)

- To receive service hereunder, the FT Pool Manager shall enter into a PS-FT Pool Management Agreement with Company and shall submit a PS-FT Application/Agency Agreement for each member of the pool, signed by both Customer and its Pool Manager. The PS-FT Pool Management Agreement shall set forth the specific obligations of the FT Pool Manager and Company under this rider. The PS-FT Application/Agency Agreement shall set forth the members of the pool.

The FT Pool Manager shall submit a signed PS-FT Pool Management Agreement and a PS-FT Application/Agency Agreement for each member of the pool at least four weeks prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the FT Pool Manager of the date when service hereunder will commence. A customer who terminates service under this rider or who desires to change FT Pool Managers shall likewise provide Company with a written notice at least four weeks prior to the end of a billing period.

- The FT Pool Manager shall upon request of Company agree to maintain a cash deposit, a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure FT Pool Manager's performance of its obligations under the PS-FT Pool Management Agreement. In determining the level of the deposit, bond or other security to be required of an FT Pool Manager, Company shall consider such factors, but not limited to, the following: the volume of natural gas to be transported on behalf of PS-FT Pool members, the general credit worthiness of the FT Pool Manager, and the FT Pool Manager's prior credit record with the Company, if any. In the event that the FT Pool Manager defaults on its obligations under this rider or the PS-FT Pool Management Agreement, Company shall have the right to use such cash deposit, or the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy FT Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-FT Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
- The FT Pool Manager shall provide Company with the written consent, in the form of a PS-FT Application/Agency Agreement, of all members to any change in the composition of the pool membership at least four weeks prior to the beginning of the first billing period that would apply to the modified pool. With the consent of the current pool members, the FT Pool Manager may provide written consent in the form of a PS-FT Application/Agency Agreement on behalf of the current pool members to any change in the composition of the pool. Without exception, any new pool member must provide its own written consent in the form of a PS-FT Application/Agency Agreement.
- The PS-FT Pool Management Agreement will be terminated by the Company upon four weeks written notice if an FT Pool Manager fails to meet any condition of this rider and/or Rate FT. The PS-FT Pool Management Agreement will also be terminated by

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R. M. Hewett, Group Executive
Louisville, Kentucky

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STANDARD RATE SCHEDULE

PS-FT

Pooling Service - FT (Continued)

the Company upon four weeks written notice if the FT Pool Manager has payments in arrears. Written notice of termination of the PS-FT Pool Management Agreement shall be provided both to the FT Pool Manager and to the individual members of the pool by the Company.

- 6. Company shall directly bill the FT Pool Manager for the PS-FT Pool Administration Charge, Utilization Charge for Daily Imbalances, monthly cash-out charges or payments, and unauthorized overrun charges under an OFO contained in Rate FT. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date of bill. If payment is not made within 27 days from date of bill, then the FT Pool Manager will be considered in default.
- 7. Company shall directly bill the individual customers in the pool for all Distribution Charges, Administrative Charges, and remote metering charges or payments provided for in Rate FT.

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R.M. Hewett
R.M. Hewett, Group Executive
Louisville, Kentucky

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DSMRM

Demand-Side Management Cost Recovery Mechanism

APPLICABLE TO: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Summer Air Conditioning Rider to Rates RGS, CGS and IGS, Seasonal Off-Peak Gas Rate G-6, and Rate for Uncommitted Gas Service Rate G-7, Standby Gas Transportation Rate TS, and Firm Gas Transportation Rate FT. Any industrial customers who also receive electric service under Industrial Power Rate LP and Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in a demand-side management program hereunder shall not be assessed a charge pursuant to this mechanism.

The monthly amount computed under each of the rate schedules to which this Demand-Side Management Cost Recovery Mechanism is applicable shall be increased or decreased by the DSM Cost Recovery Component (DSMRC) at a rate per 100 cubic feet (Ccf) of monthly gas consumption in accordance with the following formula:

DSMRC = DCR + DRLS + DSMI + DBA

Where: DCR = DSM COST RECOVERY. The DCR shall include all expected costs which have been approved by the Commission for each twelve-month period for demand-side management programs which have been developed through a collaborative advisory process ("approved programs"). Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating DSM programs. Program costs will be assigned for recovery purposes to the rate classes whose customers are directly participating in the program. In addition, all costs incurred by or on behalf of the collaborative process, including but not limited to costs for consultants, employees and administrative expenses, will be recovered through the DCR. Administrative costs that are allocable to more than one rate class will be recovered from those classes and allocated by rate class on the basis of the estimated budget from each program.

The cost of approved programs shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DCR for such rate class.

DRLS = DSM REVENUE FROM LOST SALES

Revenues from lost sales due to DSM programs implemented on and after the effective date of this tariff and will be recovered as follows:

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Louisville, Kentucky

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BY: Stephan O. Bell

SECRETARY OF THE COMMISSION

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

For each upcoming twelve-month period, the estimated reduction in customer usage (in Ccf) as determined for the approved programs shall be multiplied by the non-variable revenue requirement per Ccf for purposes of determining the lost revenue to be recovered hereunder. Non-variable revenue requirement is defined as the weighted average price per Ccf represented by the composite of the expected Distribution Cost Component billings for the customer classes.

The lost revenues for each customer class shall then be divided by the estimated class sales (in Ccf) for the upcoming twelve-month period to determine the applicable DRLS surcharge.

Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the DRLS for 36 months or until implementation of new rates pursuant to a general rate case. For recovery purposes, the lost sales revenues will be assigned to the rate classes whose programs resulted in the lost sales.

Revenues collected hereunder are based on engineering estimates of energy savings, expected program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the DSM Balance Adjustment (DBA) component.

A program evaluation vendor will be selected to provide evaluation criteria against which energy savings will be estimated for that program. Each program will be evaluated after implementation and any revision of the original engineering estimates will be reflected in both (a) the retroactive true-up provided for under the DSM Balance Adjustment and (b) the prospective future lost revenues collected hereunder.

DSMI = DSM INCENTIVE. For all Energy Impact Programs except Direct Load Control, the DSM incentive amount shall be computed by multiplying the net resource savings expected from the approved programs which are to be installed during the upcoming twelve-month period times fifteen (15) percent, not to exceed five (5) percent of program expenditures. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of LG&E's avoided costs over the expected life of the program, and will include both capacity and energy savings. For Energy Education and Direct Load Control Programs, the

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May 11, 2001

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

DSM incentive amount shall be computed by multiplying the annual cost of the approved programs which are to be installed during the upcoming twelve-month period times five (5) percent.

The DSM incentive amount shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DSMI. DSM incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

DBA = DSM BALANCE ADJUSTMENT. The DBA shall be calculated on a calendar year basis and is used to reconcile the difference between the amount of revenues actually billed through the DCR, DRLS, DSMI and previous application of the DBA and the revenues which should have been billed, as follows:

- (1) For the DCR, the balance adjustment amount will be the difference between the amount billed in a twelve-month period from the application of the DCR unit charge and the actual cost of the approved programs during the same twelve-month period.
- (2) For the DRLS the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DRLS unit charge and the amount of lost revenues determined for the actual DSM measures implemented during the twelve-month period.
- (3) For the DSMI, the balance adjustment amount will be the difference between the amount billed during the twelve-month period from application of the DSMI unit charge and the incentive amount determined for the actual DSM measures implemented during the twelve-month period.
- (4) The DBA, the balance adjustment amount will be determined by calculating the difference between the amount billed during the twelve-month period from application of the DBA unit charges and the balance adjustment amount established for the same twelve-month period.

The balance adjustment amounts determined on the basis of the above paragraphs (1)-(4) shall include interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period. The balance adjustment amounts, plus interest, shall be divided by the expected Ccf sales for the upcoming twelve-month period to determine the DBA for each rate class. DSM balance adjustment amounts will be assigned for recovery purposes to the rate classes to which over- or under-recoveries of DSM amounts were realized.

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Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 5/11/01 in Case No. 2000-459

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SECTION 9 (1)

BY: *Stephan O. Beer*
SECRETARY OF THE COMMISSION

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

The filing of modifications to the DSMRC which require changes in the DCR component shall be made at least two months prior to the beginning of the effective period for billing. Modifications to other components of the DSMRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each DSM program developed by the collaborative process, the total cost of each program over the twelve-month period, an analysis of expected resource savings, information concerning the specific DSM or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the DCR, DRLS, DSMI, DBA and DSMRC.

Each change in the DSMRC shall be placed into effect with bills rendered on and after the effective date of such change.

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BY: Stephan D. Bee
SECRETARY OF THE COMMISSION

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Michael S. Beer

Michael S. Beer, Vice President
Louisville, Kentucky

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

Applicable to: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Seasonal Off-Peak Gas Rate IGS, and Rate for Uncommitted Gas Service Rate G-7, Rate TS, Rate FT, and Summer Air Conditioning Rider.

As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

DSM Cost Recovery Component (DSMRC):

Residential Customers Served Under Residential Rate RGS and Summer Air Conditioning Rider

Energy Charge

DSM Cost Recovery Component (DCR):	00.438 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.047 ¢/Ccf
DSM Incentive (DSMI):	00.024 ¢/Ccf
DSM Balance Adjustment (DBA):	(0.121) ¢/Ccf
 DSMRC Rate RGS:	 00.388 ¢/Ccf

Commercial Customers Served Under Commercial Gas Service Rate CGS, G-6, G-7, Rate TS, Rate FT, and Summer Air Conditioning Rider

DSM Cost Recovery Component (DCR):	00.006 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.001 ¢/Ccf
DSM Incentive (DSMI):	00.000 ¢/Ccf
DSM Balance Adjustment (DBA):	00.177 ¢/Ccf
 DSMRC Rate CGS:	 00.184 ¢/Ccf

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PURSUANT TO 807 KAR CANCELLED
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BY *Charles J. Durr*
EXECUTIVE DIRECTOR - 1 2004

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Michael S. Beer

Michael S. Beer, Vice President
Louisville, Kentucky

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DSMRM	
Demand-Side Management Cost Recovery Mechanism (Continued)	
<u>DSM Cost Recovery Component (DSMRC):</u> (Continued)	
Industrial Customers Served Under Firm Industrial Gas Service Rate IGS, Rate G-6,G-7, Rate TS, Rate FT and Summer Air Conditioning Rider	<u>Energy Charge</u>
DSM Cost Recovery Component (DCR):	00.000 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.000 ¢/Ccf
DSM Incentive (DSMI):	00.000 ¢/Ccf
DSM Balance Adjustment (DBA):	00.000 ¢/Ccf
DSMRC Rate IGS:	00.000 ¢/Ccf

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OF KENTUCKY
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MAY 11 2001

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BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

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Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

VDSR

Value Delivery Surcredit Rider

APPLICABLE

In all territory served by the Company.

AVAILABILITY OF SERVICE

To all gas rate schedules.

RATE

The monthly billing amount computed under each of the rate schedules to which this surcredit is applicable shall be adjusted by the Value Delivery Surcredit Factor, which shall be calculated in accordance with the following formula:

$$\text{Value Delivery Surcredit Factor} = \text{VDS} + \text{BA}$$

Where:

(VDS) is the Value Delivery Surcredit which is based on the total Company net savings that are to be distributed to the Company's customers in each 12-month period.

	Net Savings to be Distributed	Value Delivery Surcredit (VDS)
Year 1, Dec 1, 2001 to Dec 31, 2001	\$ 120,000	0.27%
Year 2, Jan 1, 2002 to Dec 31, 2002	\$ 320,000	0.12%
Year 3, Jan 1, 2003 to Dec 31, 2003	\$1,240,000	0.54%
Year 4, Jan 1, 2004 to Dec 31, 2004	\$1,520,000	0.65%
Year 5, Jan 1, 2005 to Dec 31, 2005	\$1,800,000	0.72%
Year 6, Jan 1, 2006 to Mar 31, 2006	\$ 440,000	0.39%

(BA) is the Balancing Adjustment for the second through the twelfth months of the current distribution year which reconciles any over- or under-distribution of the net savings from prior periods. The Balancing Adjustment will be determined by dividing the differences between amounts which were expected to be distributed and the amounts actually distributed from the application of the Value Delivery Surcredit Factor from the previous year by the expected retail gas revenues. The final Balancing Adjustment will be applied to customer billings in the second month following the fifth distribution year.

TERMS OF DISTRIBUTION

- (1) The total distribution to Company's customers will, in no case, be less than the sum of the amounts shown above.
- (2) In the event that the actual net savings to the customers differs from the values shown under "Net Savings to be Distributed" an adjustment shall be made to Year 6 via the Balancing Adjustment. The determination of any such adjustment shall be reported to the Commission when it becomes available ~~2004~~ **2001**.
- (3) On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Surcredit. Such report shall include a statement showing the amounts which were expected to be distributed and the amounts actually distributed in previous periods, along with a calculation of the Balancing Adjustment (BA) which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under-distributions.
- (4) The Value Delivery Surcredit shall be applied to the customer's bill following the rates and charges for gas service, but before application of the school tax, the franchise fee, sales tax or similar items.
- (5) The Value Delivery Surcredit shall be withdrawn with application of the final Balancing Adjustment following Year 6.

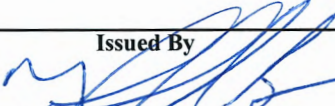
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Issued December 7, 2001

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Louisville, Kentucky

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BY: 
SECRETARY OF THE COMMISSION

STANDARD RIDER

Franchise Fee and Local Tax

APPLICABILITY

All gas rate schedules.

MONTHLY CHARGE

A surcharge shall be calculated and added to the total bill for gas service each month for all customers located within local governmental jurisdictions which impose municipal franchise fees or other local taxes on the Company by ordinance, franchise, or otherwise. Such fees or taxes shall be net of any corresponding fees or taxes which are currently included in the base charges of each rate schedule.

The amount calculated shall be applied exclusively to the bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. The fee or tax shall be added to the customer's bill as a separate item. Where more than one such fee or tax is imposed, each of the fees or taxes applicable to each customer shall be added to the monthly bills as separately identified items.

Customers receiving service in the following local jurisdictions shall pay the applicable franchise fee or local tax based on the following effective rates:

<u>Municipality or Political Subdivision</u>	<u>Franchise Fee or Local Tax Rate</u>
City of Radcliff, Kentucky	3% of Gross Receipts

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OF KENTUCKY
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SEP 27 2000

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Issued By:
R. N. Hewett
R. N. Hewett, Group Executive
Louisville, Kentucky

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

APPLICABLE TO

All gas sold.

GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost 67.718¢

Gas Cost Actual Adjustment (GCAA) 5.932

Gas Cost Balance Adjustment (GCBA) 0.151

Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:

None Applicable

Performance-Based Rate Recovery Component (PBRRC) 1.084

Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC) 74.885¢

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BY [Signature] EXD Date Effective: MAY 1 2004

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Canceling Seventeenth Revision of
Original Sheet No. 12
Issued January 30, 2004

Issued By

[Signature]
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause (Continued)

The monthly amount computed under each of the rate schedules to which this Gas Supply Clause is applicable shall include a Gas Supply Cost Component per 100 cubic feet of consumption calculated for each three-month period in accordance with the following formula:

$$GSCC = \text{Gas Supply Cost} + GCAA + GCBA + RF + PBRRC$$

where:

Gas Supply Cost is the expected average cost per 100 cubic feet for each three-month period determined by dividing the sum of the monthly gas supply costs by the expected deliveries to customers. Monthly gas supply cost is composed of the following:

- (a) Expected total purchases at the filed rates of Company's wholesale supplier of natural gas, plus
- (b) Other gas purchases for system supply, minus
- (c) Portion of such purchase cost expected to be used for non-Gas Department purposes, minus
- (d) Portion of such purchase cost expected to be injected into underground storage, plus
- (e) Expected underground storage withdrawals at the average unit cost of working gas contained therein;

(GCAA) is the Gas Cost Actual Adjustment per 100 cubic feet which compensates for differences between the previous quarter's expected gas cost and the actual cost of gas during that quarter.

(GCBA) is the Gas Cost Balance Adjustment per 100 cubic feet which compensates for any under- or over-collections which have occurred as a result of prior adjustments.

(RF) is the sum of the Refund Factors set forth on Sheet No. 12 of this Tariff.

(PBRRC) is the amount per 100 cubic feet calculated pursuant to the Experimental Performance-Based Rate Mechanism contained in the Standard Rate Schedule PBR. The PBRRC is determined for each 12-month PBR period ended October 31.

Company shall file a revised Gas Supply Cost Component (GSCC) every three months giving effect to known changes in the wholesale cost of all gas purchases and the cost of gas deliveries from underground storage. Such filing shall be made at least thirty days prior to the beginning of each three-month period and shall include the following information:

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Refiled: October 16, 2000

R. M. Hewett, Group Executive
Louisville, Kentucky

BY: Stephen Bee

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

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STANDARD RATE SCHEDULE

GSC

Gas Supply Clause (Continued)

1. A copy of the tariff rate of Company's wholesale gas supplier applicable to such three-month period.
2. A statement, through the most recent three-month period for which figures are available, setting out the accumulated costs recovered hereunder compared to actual gas supply costs recorded on the books.
3. A statement setting form the supporting calculations of the Gas Supply Cost and the Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) applicable to such three-month period.

To allow for the effect of Company's cycle billing, each change in the GSCC shall be placed into effect with service rendered on and after the first day of each three-month period.

In the event that the Company receives from its supplier a refund of amounts paid to such supplier with respect to a prior period, the Company will make adjustments in the amounts charged to its customers under this provision, as follows:

1. The "Refundable Amount" shall be the amount received by the Company as a refund less any portion thereof applicable to gas purchased for electric energy production. Such Refundable Amount shall be divided by the number of hundred cubic feet of gas that company estimates it will sell to its customers during the twelve-month period which commences with implementation of the next Gas Supply Clause filing, thus determining a "Refund Factor."
2. Effective with the implementation of the next Gas Supply Clause filing, the Company will reduce, by the Refund Factor so determined, the Gas Supply Cost Component that would otherwise be applicable during the subsequent twelve-month period. Provided, however, that the period of reduced Gas Supply Cost Component will be adjusted, if necessary, in order to refund, as nearly as possible, the Refundable Amount.
3. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission of Kentucky for the right to depart from the refund procedure herein set forth.

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SECTION 9 (1)

BY: *Stephan D. [Signature]* **CANCELLED**
SECRETARY OF THE COMMISSION

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Date Effective: August 1, 1998
Refiled: October 16, 2000

Date of Issue: August 26, 1998

Issued By
R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

STANDARD RIDER

Excess Facilities

APPLICABILITY

In all territory served.

AVAILABILITY

This rider is available for nonstandard service facilities which are considered to be in excess of the standard facilities that would normally be provided by the Company. This rider does not apply to main extensions or to other facilities which are necessary to provide basic gas service. The Company reserves the right to decline to provide service hereunder for any project (a) that exceeds \$100,000 or (b) where the Company does not have sufficient expertise to install, operate, or maintain the facilities or (c) where the facilities do not meet Company's safety requirements, or (d) where the facilities are likely to become obsolete prior to the end of the initial contract term.

DEFINITION OF EXCESS FACILITIES

Excess facilities are equipment and devices which are installed in addition to or in substitution for the normal facilities required to render basic gas service. Applications of excess facilities include, and are limited to, duplicate or check meters.

EXCESS FACILITIES CHARGE

The customer shall pay for excess facilities through a contribution in aid of construction, which may take the form of a one-time payment or a fixed term Capital Recovery Charge based on the installed cost of the facilities. The length of the contract term shall be at the customer's option as set forth below.

Monthly Rates

Term:	Capital Recovery Charge					Operating Expenses
	<u>5 Year</u>	<u>8 Years</u>	<u>10 Years</u>	<u>12 Years</u>	<u>15 Years</u>	
	2.65%	1.87%	1.63%	1.47%	1.32%	0.14%

The percentage rates are applied to the installed cost of the excess facilities in order to determine the monthly charge.

All customers shall also pay the monthly operating expenses as long as service is rendered hereunder.

PAYMENT

The Excess Facilities Charges shall be incorporated with the monthly bill for gas service and will be subject to the same payment provisions.

TERM OF CONTRACT

The initial term of contract to the customer under this schedule shall be the selected Capital Recovery Charge Period as stated under the Excess Facilities Charge provision. The term shall continue automatically until terminated by either party upon at least one month's written notice.

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SEP 27 2000

Date of Issue: December 15, 1995

Issued By

R. M. Hewett

**R. M. Hewett, Group Executive
Louisville, Kentucky**

PURSUANT TO ORDER OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY
 Date of Issue: November 21, 1995
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BY: *Stephan D. Bell*
 SECRETARY OF THE COMMISSION

STANDARD RIDER

Excess Facilities (Continued)

SPECIAL TERMS AND CONDITIONS

1. The Company shall install, own, operate, and provide routine maintenance of the excess facilities. During the Capital Recovery Charge term, the Company shall be responsible for the necessary replacement of the excess facilities (or a faulty component thereof) in the event of failure. Otherwise, the cost of replacing the excess facilities shall be the responsibility of the Customer.
2. In the event that excess facilities installed for the Customer are later utilized concurrently to serve other customers, then the monthly excess facilities charge shall be adjusted in proportion to the cost of the excess facilities which is reasonably assignable to the Customer.
3. The Customer hereby grants to the Company the right of ingress and egress to and from the excess facilities over any property owned by the Customer for the purpose of exercising any of its rights or fulfilling any of its obligations hereunder.
4. The customer may terminate the service prior to the end of the initial term upon at least six month's written notice. However, the Customer shall pay to the Company in a lump sum the present value of the Capital Recovery Charges that would have been due throughout the remainder of the initial contract period.
5. If the Customer fails to comply with any of the terms and conditions hereof (including, but not limited to, the Customer's obligation to pay the monthly excess facilities charge timely), then the Company may give to the Customer ten days advance notice of termination during which ten-day period the Customer shall have the opportunity to cure the default. If the Customer fails to cure the default during the ten-day period, then the Company shall have the right to terminate the excess facilities service immediately upon notice, and if such termination occurs during the initial term, the Customer shall pay all remaining charges in the manner prescribed under Item 4.
6. Upon termination of the service for any reason, whether during or after the initial contract period, the Company shall have the option of either removing the excess facilities from the Customer's premises and using, selling, or disposing of such excess facilities as the Company wishes or abandoning the excess facilities in place.
7. The service shall not be assigned or transferred by the Customer without the prior written approval of the Company.
8. The General Rules and Regulations Governing the Supply of Gas Service set forth in the Company's gas tariff shall apply except to the extent inconsistent with any of the terms hereof and are incorporated herein by reference.

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JUL - 7 2004

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PURSUANT TO 807 KAR 5.011,

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R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: November 21, 1995

Refiled: October 16, 2000

BY: 
SECRETARY OF THE COMMISSION

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Ratemaking Mechanism

APPLICABLE

To all gas sold.

RATE MECHANISM

The monthly amount computed under each of the rate schedules to which this Performance Based Ratemaking Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Component (**PBRRC**) at a rate per 100 cubic feet (Ccf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the Pipeline Supplier's Demand Component and the Gas Supply Cost Component of the Gas Supply Clause (GSC), respectively. The PBRRC shall be determined for each 12-month period ended October 31 during the effective term of this experimental performance based ratemaking mechanism, which 12-month period shall be defined as the PBR period.

The PBRRC shall be computed in accordance with the following formula:

$$PBRRC = \frac{CSPBR + BA}{ES}$$

Where:

ES = Expected Ccf sales, as reflected in the Company's GSC filing for the upcoming 12-month period beginning February 1.

CSPBR = Company Share of Performance Based Ratemaking Mechanism savings or expenses. The CSPBR shall be calculated as follows:

$$CSPBR = TPBRR \times ACSP$$

Where:

TPBRR = Total Performance Based Ratemaking Results. The TPBRR shall be savings or expenses created during the PBR Period. TPBRR shall be calculated as follows:

$$TPBRR = (GAIF + TIF + OSSIF)$$

GAIF

GAIF = Gas Acquisition Index Factor. The GAIF shall be calculated by comparing the total annual Benchmark Gas Costs (**BGC**) for system supply natural gas purchases for the PBR period to the total annual Actual Gas Costs (**AGC**) for system supply natural gas purchases during the same period to determine if any Shared Expenses or Shared Savings exist.

The BGC shall include two benchmark components as follows:

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Michael S. Beer
 Michael S. Beer, Vice President
 Louisville, Kentucky

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STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Ratemaking Mechanism (Continued)

$$BGC = TABMGCC + HRF$$

Where:

TABMGCC represents the Total Annual Benchmark Gas Commodity Costs and is the annual sum of the monthly Benchmark Gas Commodity Costs (**BMGCC**) of gas purchased for system supply; and

HRF represents Historical Reservation Fees and is an annual dollar amount equal to Company's average annual supply reservation fees based on the 24-month period ended October 31 immediately preceding the PBR period.

BMGCC represents Benchmark Gas Commodity Costs and shall be calculated on a monthly basis and accumulated for the PBR period. **BMGCC** shall be calculated as follows:

$$BMGCC = \text{Sum } \{ [SZFQE\%i \times (APV - PEFDCQ) \times SAIi] \} + [PEFDCQ \times DAi]$$

Where:

SZFQE% is the Supply Zone Firm Quantity Entitlement Percentage derived from Company's firm entitlements by pipeline and by zone for which indices are posted. The percentage represents the pro-rata portion of Company's firm lateral and mainline receipt point quantity entitlements by zone for each transportation contract by pipeline.

i represents each supply area.

APV is the actual purchased volumes of natural gas for system supply for the month. The **APV** shall include purchases necessary to cover retention volumes required by the pipeline as fuel.

PEFDCQ are the Purchases In Excess of Firm Daily Contract Quantities delivered to Company's city gate. Firm Daily Contract Quantities are the maximum daily contract quantities which Company can deliver to its city gate under its various firm transportation agreements and arrangements.

SAI is the Supply Area Index factor to be established for each supply area in which Company has firm transportation entitlements used to transport its natural gas purchases and for which price postings are available. The four supply areas are TGT-SL (Texas Gas Transmission - Zone SL), TGT-1 (Texas Gas Transmission - Zone 1), TGPL-0 (Tennessee Gas Pipeline - Zone 0), and TGPL-1 (Tennessee Gas Pipeline - Zone 1).

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STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism (Continued)

The monthly SAI for TGT-SL, TGT-1, TGPL-0 and TGPL-1 shall be calculated using the following formula:

$$SAI = [I(1) + I(2) + I(3)] / 3$$

DAI is the Delivery Area Index to be established for purchases made by Company when Company has fully utilized its pipeline quantity entitlements on a daily basis and which are for delivery to Company's city gate from either Texas Gas Transmission's Zone 4 or Tennessee Gas Pipeline's Zone 2.

The monthly DAI for TGT-4 and TGPL-2 shall be calculated using the following formula:

$$DAI = [I(1) + I(2) + I(3)] / 3$$

Where:

I represents each index reflective of both supply area prices and price changes throughout the month in these various supply areas.

The indices for each supply zone are as follows:

SAI (TGT-SL)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for Louisiana - Onshore South Texas Gas Zone SL averaged for the month.

I(3) is the *Inside FERC's Gas Market Report* first-of-the-month posting for Texas Gas Zone SL.

SAI (TGT-1)

I(1) is the average of weekly *Natural Gas Week* postings for North Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for East Texas - North Louisiana Area - Texas Gas Zone 1 averaged for the month.

I(3) is the *Inside FERC's Gas Market Report* first-of-the-month posting for Texas Gas Zone 1.

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY *Stephen J. Beer* JUL 1 2004
SECRETARY OF THE COMMISSION

Date of Issue: June 25, 2002
Canceling Original Sheet No. 14-E
Issued November 15, 2001

Issued By
Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Rate Mechanism (Continued)

SAI (TGPL-0)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Texas as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for South - Corpus Christi-Tennessee, zone 0 averaged for the month.

I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee Zone 0.

SAI (TGPL-1)

I(1) is the average of weekly *Natural Gas Week* postings for Gulf Coast Onshore Louisiana as Delivered to Pipeline.

I(2) is the average of the daily high and low *Gas Daily* postings for Louisiana - Onshore South - Tennessee, La., 500 Leg averaged for the month.

I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Tennessee, Louisiana, 500 Leg.

DAI (TGT-4) and (TGPL-2)

I(1) is the average of weekly *Natural Gas Week* postings for Spot Prices on Interstate Pipeline Systems for Dominion - South.

I(2) is the average of the daily high and low *Gas Daily* postings for the Daily Price Survey for Appalachia - Dominion South Point.

I(3) is the *Inside FERC's - Gas Market Report* first-of-the-month posting for Prices of Spot Gas Delivered to Pipeline for Dominion Transmission Inc. -- Appalachia.

AGC represents Company's total annual Actual Gas Costs of natural gas purchased for system supply and is equal to the total monthly actual gas commodity costs and supply reservation fees plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments paid by Company to its suppliers accumulated for the PBR period. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that AGC exceeds BGC for the PBR period, then the GAIF Shared Expenses shall be computed as follows:

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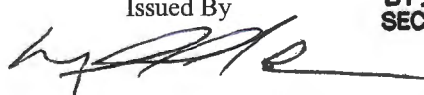
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Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Ratemaking Mechanism (Continued)

Shared Expenses = AGC - BGC

To the extent that AGC is less than BGC for the PBR period, then the GAIF Shared Savings shall be computed as follows:

Shared Savings = BGC - AGC

TIF

TIF = Transportation Index Factor. The Transportation Index Factor shall be calculated by comparing the Total Annual Benchmark Monthly Gas Transportation Costs (**TABMGTC**) of natural gas transportation services during the PBR period, to the Total Annual Actual Gas Transportation Costs (**TAAGTC**) applicable to the same period to determine if any Shared Expenses or Shared Savings exist.

The Total Annual Benchmark Monthly Gas Transportation Costs (**TABMGTC**) are calculated as follows:

TABMGTC = Annual Sum of Monthly BMGTC

Where:

BMGTC is the Benchmark Monthly Gas Transportation Costs which include both demand and volumetric costs associated with natural gas pipeline transportation services. The BMGTC shall be accumulated for the PBR period and shall be calculated as follows:

BMGTC = Sum [BM(TGT) + BM(TGPL) + BM(PPL)]

Where:

BM(TGT) is the benchmark associated with Texas Gas Transmission Corporation.

BM(TGPL) is the benchmark associated with Tennessee Gas Pipeline Company.

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Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Ratemaking Mechanism (Continued)

BM(PPL) is the benchmark associated with a proxy pipeline. The appropriate benchmark, which will be determined at the time of purchase, will be used to benchmark purchases of transportation capacity from non-traditional sources.

The benchmark associated with each pipeline shall be calculated as follows:

BM(TGT) = (TPDR x DQ) + (TPCR x AV) + S&DB

BM(TGPL) = (TPDR x DQ) + (TPCR x AV) + S&DB

BM(PPL) = (TPDR x DQ) + (TPCR x AV) + S&DB

Where:

TPDR is the applicable Tariffed Pipeline Demand Rate.

DQ is the Demand Quantities contracted for by Company from the applicable transportation provider.

TPCR is the applicable Tariffed Pipeline Commodity Rate.

AV is the Actual Volumes delivered at Company's city-gate by the applicable transportation provider for the month.

S&DB represents Surcharges, Direct Bills and other applicable amounts approved by the Federal Energy Regulatory Commission (FERC). Such amounts are limited to FERC-approved charges such as surcharges, direct bills, cashouts, take-or-pay amounts, Gas Supply Realignment and other Order 636 transition costs.

The Total Annual Actual Gas Transportation Costs (TAAGTC) paid by Company for the PBR period shall include both demand and volumetric costs associated with natural gas pipeline transportation services as well as all applicable FERC-approved surcharges, direct bills and cashouts included in S&DB, plus the gains and/or losses from the use of financial hedging instruments and the financial transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

To the extent that TAAGTC exceeds TABMGTC for the PBR period, then the TIF Shared Expenses shall be computed as follows:

Shared Expenses = TAAGTC - TABMGTC

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PURSUANT TO 807 KAR 501.1, SIGNED/FILED BY: Stephen D. Beer SECRETARY OF THE COMMISSION

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Michael S. Beer, Vice President Louisville, Kentucky

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Ratemaking Mechanism (Continued)

To the extent that TAAGTC is less than TABMGTC for the PBR period, then the TIF Shared Savings shall be computed as follows:

Shared Savings = TABMGTC - TAAGTC

Should one of Company's pipeline transporters file a rate change effective during any PBR period and bill such proposed rates subject to refund, the period over which the benchmark comparison is made for the relevant transportation costs will be extended for one or more 12-month periods, until the FERC has approved final settled rates, which will be used as the appropriate benchmark. Company will not share in any of the savings or expenses related to the affected pipeline until final settled rates are approved.

OSSIF

OSSIF = Off-System Sales Index Factor. The Off-System Sales Index Factor shall be equal to the Net Revenue from Off-System Sales (NR).

Net Revenue is calculated as follows:

NR = OSREV - OOPC

Where:

OSREV is the total revenue associated with off-system sales and storage service transactions.

OOPC is the out-of-pocket costs associated with off-system sales and storage service transactions, and shall be determined as follows:

OOPC = OOPC(GC) + OOPC(TC) + OOPC(SC) + OOPC(UGSC) + Other Costs

Where:

OOPC(GC) is the Out-of-Pocket Gas Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm supply contracts, the

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Michael S. Beer, Vice President Louisville, Kentucky

SECRETARY OF THE COMMISSION

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Ratemaking Mechanism (Continued)

OOPC(GC) shall be the incremental cost to purchase the gas available under Company's firm supply contracts. For off-system sales not using Company's firm supply contracts, the OOPC(GC) shall be the incremental costs to purchase the gas from other entities.

OOPC(TC) is the Out-of-Pocket Transportation Costs associated with off-system sales transactions. For off-system sales utilizing Company's firm transportation agreements, the OOPC(TC) shall be the incremental cost to use the transportation available under Company's firm supply contracts. For off-system sales not using Company's firm transportation agreements, the OOPC(TC) shall be the incremental costs to purchase the transportation from other entities.

OOPC(SC) is the Out-of-Pocket Storage Costs associated with off-system sales of storage. If this is gas in Company's own storage it shall be priced at the average price of the gas in Company's storage during the month of the sale. If this is gas from the storage component of Texas Gas's No-Notice Service, this gas shall be priced at the replacement cost.

OOPC(UGSC) is the Out-of-Pocket Underground Storage Costs associated with off-system sales of storage services. For the off-systems sales of storage services utilizing Company's on-system storage, the OOPC(UGSC) shall include incremental storage losses, odorization, and other fuel-related costs such as purification, dehydration, and compression. Such costs shall exclude labor-related expenses.

Other Costs represent all other incremental costs and include, but are not limited to, costs such as applicable sales taxes and excise fees plus the gains and/or losses from the use of financial hedging instruments and the transaction costs associated with such instruments. Such costs shall exclude labor-related or other expenses typically classified as operating and maintenance expenses.

ACSP

ACSP = Applicable Company Sharing Percentage. The ACSP shall be determined based on the PTAGSC.

Where:

PTAGSC = Percentage of Total Actual Gas Supply Costs. The PTAGSC shall be the TPBRR stated as a Percentage of Total Actual Gas Supply Costs and shall be calculated as follows:

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PURSUANT TO 207 KAR 5.01 SECTION 3 (1) BY: [Signature] 10/26/01 SECRETARY OF THE COMMISSION

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Date Effective: October 26, 2001

Michael S. Beer, Vice President Louisville, Kentucky

STANDARD RATE SCHEDULE

PBR

Experimental Performance Based Ratemaking Mechanism (Continued)

PTAGSC = TPBRR / TAGSC

Where:

TAGSC = Total Actual Gas Supply Costs. The TAGSC shall be calculated as follows:

TAGSC = AGC + TAAGTC

If the absolute value of the PTAGSC is less than or equal to 4.5%, then the ACSP of 25% shall be applied to TPBRR to determine CSPBR. If the absolute value of the PTAGSC is greater than 4.5%, then the ACSP of 25% shall be applied to the amount of TPBRR that is equal to 4.5% of TAGSC to determine a portion of CSPBR, and the ACSP of 50% shall be applied to the amount of TPBRR that is in excess of 4.5% of TAGSC to determine a portion of CSPBR. These two portions are added together to produce the total CSPBR.

BA

BA = Balance Adjustment. The BA is used to reconcile the difference between the amount of revenues billed or credited through the CSPBR and previous application of the BA and revenues which should have been billed or credited, as follows:

- 1) For the CSPBR, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the CSPBR and the actual amount used to establish the CSPBR for the period.
2) For the BA, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the BA and the actual amount used to establish the BA for the period.

Review

Within 60 days of the end of the third year of the four-year extension, the Company will file an assessment and review of the PBR mechanism for the first three years of the extension period. In that report and assessment, the Company will make any recommended modifications to the PBR mechanism.

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EXECUTIVE SECRETARY OCT 28 2001

CANCELLED

PURSUANT TO 807 KAR 5011.

SECTION 9 (1)

Date Effective: October 26, 2001

BY: [Signature] SECRETARY OF THE COMMISSION

Date of Issue: November 15, 2001

Issued By

Michael S. Beer, Vice President Louisville, Kentucky

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OCT 26 2001

PURSUANT TO 807 KAR 5.011.
SECTION 9 (1)

BY: *Stewart P. ...*
SECRETARY OF THE COMMISSION

CANCELLED

Date of Issue: November 15, 2001

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Date Effective: ~~October 26, 2001~~ JUL 1 2004

Michael S. Beer mly
Michael S. Beer, Vice President

Louisville, Kentucky

Issued Pursuant to K.P.S.C. Dated 10/26/01 in Case No. 2001-017

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OCT 26 2001

PURSUANT TO KY KAR 5:011,
SECTION 9(1)

BY: Stephen O. P... **CANCELLED**
SECRETARY OF THE COMMISSION

Date of Issue: November 15, 2001

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Date Effective: October 26, 2001

Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Dated 10/26/01 in Case No. 2001-017

JUL 1 2004

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Gas Service Restrictions

By Order dated September 5, 1973, in Case Nos. 5829 and 5839, the Public Service Commission of Kentucky authorized the Company to incorporate in its gas tariff restrictions on the supply of gas service, occasioned by the inadequacy of gas supplies to meet customer demands. These restrictions have been modified from time to time by tariff filings authorized or approved by the Commission. Uncertainty as to future gas supply makes it necessary that Company continue to exercise control over the addition of gas loads to its system, as set forth in these rules.

1. **GENERAL.** Except as specifically provided in these rules, the Company will not (a) initiate service to any new customer, location, or service point; (b) permit any commercial customer (including any governmental agency or institution) or any industrial customer to increase its connected load or to expand its gas requirements in any manner; or (c) permit any customer to change to another rate schedule for the purpose of obtaining a higher priority under the Company's Tariff.

2. **NEW CUSTOMERS.** Until further notice, Company will accept applications for gas service to new customers as set forth below. Main extensions will be made in accordance with the Gas Main Extension Rules contained in this Tariff.

(a) **FOR SERVICE UNDER RATES RGS, CGS and IGS.** Single family dwelling units individually metered. Commercial and industrial customers and multi-family residences served through a single meter. Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgement such is necessary in order to enable it to continue to supply reliable service to existing customers.

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(b) **FOR SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve new customers with requirements in excess of those allowable under Rates RGS, CGS and IGS when in its judgement actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.

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3. **Increase in Service to Existing Customers.** Until further notice, the Company will, upon application, permit increases in the connected gas load or the gas usage of commercial and industrial customers existing as of the effective date of these rules, as follows:

(a) **ADDITIONAL SERVICE UNDER RATES RGS, CGS and IGS.** The Company will permit the addition of connected gas loads under Rates RGS, CGS and IGS. Company will have the right to limit the total connected load to a maximum of 8,000 cubic feet per hour, when in Company's judgment such is necessary in order to enable it to continue to supply reliable service to existing customers.

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SEP 27 2000

Date of Issue: May 27, 1987

Issued By

R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

PURSUANT TO 807 KAR 5.011
Date Effective: June 26, 1987
Refiled: October 16, 2000
BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Gas Service Restrictions (Continued)

- (b) **ADDITIONAL SERVICE UNDER OTHER RATE SCHEDULES.** Company may undertake to serve existing customers with additional requirements in excess of those allowable under Rates RGS, CGS and IGS when in its judgement actual and potential gas supplies are sufficient to enable it to do so. Company will designate the applicable rate schedule under which such service will be supplied.
- 4. **LOAD ADDITIONS TO BE AGGREGATED.** Limitations on new or additional gas loads as specified herein refer to the aggregate of loads added subsequent to the effective date of these rules, and not to individual increments made from time to time.
- 5. **VOLUMES OF GAS USAGE.** Daily and monthly volumes of gas usage may be established or increased to reflect additions of connected load or increased usage of connected load existing as of the effective date of these rules. For customers subject to curtailment under Company's Curtailment Rules, Monthly Base Period Volumes will be established or adjusted accordingly.
- 6. **TRANSFERS BETWEEN LOCATIONS.** Company may permit any customer to transfer his own gas entitlement from one location to another; provided, however, that transfers of service cannot be aggregated so as to exceed the limitations on connected load set forth in Paragraphs 2 and 3 above with respect to Rates RGS, CGS, and IGS.
- 7. **PRIORITY CONSIDERATIONS.** If at any time, the Company is required to select among applicants for service as provided for in Paragraphs 2(b) or 3(b) above, it will, to the extent practicable, observe the following priorities in the order named:
 - (a) Schools, hospitals and similar institutions.
 - (b) Other commercial establishments.
 - (c) Industrial process and feedstock uses.
 - (d) Other industrial applications.
- 8. **LAPSE OF APPLICATIONS.** If any applicant for new or increased service under these rules is not ready to take such service within 12 months from the date of application, such application shall be void. Any reapplication shall be subject to the Company's rules in effect at the time thereof.
- 9. Applicants may make application for gas service beyond that provided for in these rules, to be initiated at such time as these rules may be terminated or modified so as to enable the Company to provide the service applied for. Company will file such applications in the order of receipt and dispose of them as circumstances dictate.

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

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Issued By

R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

BY: *[Signature]* Date Effective: November 11, 1987
Refiled: October 16, 2000
SECRETARY OF THE COMMISSION

THIS SHEET IS UNUSED.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 27 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9(1)

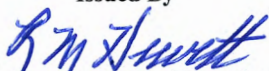
BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

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JUL - 1 2004

Date of Issue: October 16, 2000

Issued By


R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: September 27, 2000

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules

These rules are established to govern LG&E's available supply of gas to sales and transportation customers during periods of shortage or substantial reduction in the gas availability from LG&E's suppliers. These rules are designed to provide for curtailment or discontinuance of service made necessary by a deficiency in gas supply, capacity or unforeseen emergency circumstances. Implementation of these Rules will enable LG&E to continue to supply reliable gas service for residential and other human welfare purposes. These rules shall apply and continue in effect until lawfully modified or superseded under the regulatory jurisdiction of the Public Service Commission of Kentucky.

1. DEFINITIONS (for Purposes of these Rules).

COMMERCIAL CUSTOMERS: Customers engaged primarily in the sale of goods or services, including institutions and local, state and Federal governmental agencies, for uses other than those involving manufacturing.

INDUSTRIAL CUSTOMERS: Customers engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product. For the sole purpose of the application of these rules, customers served under Rate IGS whose gas service is primarily used in the production or processing of foods or food for human consumption shall be considered commercial customers.

SMALL INDUSTRIAL CUSTOMER: Any industrial customer whose aggregate of twelve Monthly Base Period Volumes is 10,000 Mcf or less.

LARGE INDUSTRIAL CUSTOMER: Any industrial customer whose aggregate of twelve Monthly Base Period Volumes exceeds 10,000 Mcf.

SUMMER SEASON: The seven consecutive monthly customer billing periods of April through October.

WINTER SEASON: The five consecutive monthly customer billing periods of November of one year through March of the following year.

PILOT LIGHT REQUIREMENTS: Gas used on either a continuous or intermittent basis only for the ignition of the fuel in the main burner; does not include any gas used to preheat or atomize solid or liquid fuels.

NON-DOMESTIC USAGE: Usage for boiler fuel and other applications where alternate fuel facilities are installed or capable of being installed.

BASE PERIOD: The 12 months ending with the calendar year prior to the implementation of any curtailments hereunder.

MONTHLY BASE PERIOD VOLUMES: Monthly volumes assigned to each customer determined from its gas consumption during the Base Period, adjusted to normal

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R. M. Hewett
R. M. Hewett, Group Executive
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BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules (Continued)

temperatures, for force majeure conditions, and to annualize consumption in cases where service was initiated or the connected load increased in keeping with LG&E's rules applicable during the Base Period.

AUTHORIZED MONTHLY VOLUME: The volume of gas authorized to be taken during a month and determined by deducting from the Monthly Base Period Volume the curtailment applicable for the month.

Some Customers may have usage falling within more than one of the above categories; as such, these customers may be required to segregate their total usage accordingly.

2. **PRO-RATA CURTAILMENT.** In order to meet seasonal and daily sendout requirements, to preserve underground storage deliverability, and to provide for adequate and timely underground storage injections, LG&E will implement pro-rata curtailment with respect to the classes of customers here listed:

- (a) Large Industrial Customers served under Rate IGS and Rider RBS.
- (b) All customers served under Rates G-6 and G-7.

LG&E will assign Monthly Base Period Volumes to each customer in the above classes. Not less than two weeks prior to the beginning of any monthly billing period, except in the case of an emergency, LG&E will notify in writing each customer in the classes named above of the percentage curtailment from such customer's Monthly Base Period Volume to be in effect in said monthly billing period, stating the Authorized Monthly Volume such customer is authorized to take during said monthly billing period.

During each month of the Winter Season curtailment will be first applied to Rate G-6 and G-7 customers until such curtailment reaches 100% of Base Period Volumes (allowing, however, for continuation of Pilot Light Requirements in connection with alternate fuels). When the required curtailment level exceeds 100% as applied to Rate G-6 customers, the additional curtailment required will be apportioned at a uniform percentage to other customers subject to pro-rata curtailment under this Section 2. Provided, however, during any month of the Winter Season when Rate G-6 and G-7 customers are being furnished all or a part of their Base Period Volumes, such service may be completely interrupted when and to the extent that LG&E deems such interruption necessary to preserve storage deliverability or to otherwise meet seasonal or daily sendout requirements.

During each month of the Summer Season the percentage of curtailment shall be uniform for all classes to which it applies.

Provided, however, in the case of Large Industrial Customers served under Rate IGS, Authorized Monthly Volumes shall be established so as to aggregate not less than 10,000 Mcf for a twelve-month period.

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BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules (Continued)

3. **COMBINATION OF AUTHORIZED MONTHLY VOLUMES.** Subject to a written application by a customer and acceptance thereof by LG&E, LG&E will permit any customer served through more than one point of delivery at any location, or any person, corporation or entity served with gas at more than one location, to take gas through the points or at the locations of its choosing, provided that the gas so taken will not exceed the combined Authorized Monthly Volumes applicable to such points of delivery, and provided that only volumes purchased under rate schedules subject to pro-rata curtailment may be so combined. Gas taken through each individual point of delivery will be billed at the rate applicable to such point of delivery.

If the Application referred to in the above paragraph is denied by LG&E, then the Applicant may apply to the Public Service Commission for a review of LG&E's decision.

The right to effect combinations of Authorized Monthly Volumes as here described is limited to individual customers or individual persons, corporations or entities and such right will not extend to similar combinations between or among unrelated customers. Nor shall such combinations be employed by any customer for the purpose of obtaining a lower overall cost of gas.

For the purpose of assessment of penalties, the point of delivery will be considered on a combined basis, so that the actual combined take will be measured against combined Authorized Monthly Volumes. It will be the responsibility of any applicant for this treatment to advise LG&E in writing as to the party or entity to be held accountable for the payment of such penalty.

4. **PENALTY CHARGES.** Any customer subject to interruption in accordance with Paragraph 2 above who uses any quantity of gas (in excess of Pilot Light Requirements where applicable) during a period of interruption shall be subject to a penalty charge applicable to such unauthorized take at the rate of \$10.00 per Mcf, such penalty to be in addition to the established rate for service.

Any customer subject to curtailment in accordance with Paragraph 3 above who at the end of a Summer Season or a Winter Season has taken gas in excess of 102% of the aggregate of its Authorized Monthly Volumes within such season shall be subject to a penalty charge applicable to such excess take at the rate of \$20.00 per Mcf, such penalty to be in addition to the established rate for service.

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JUL - 1 2004

The payment of penalty charges for take in excess of authorized volumes shall not be considered as giving any customer the right to take unauthorized volumes of gas, nor shall such penalty charges be considered as a substitute for any other remedy available to LG&E.

5. **EMERGENCY CURTAILMENT.** In the event of an emergency, LG&E will initiate the following actions in order that service may continue to be supplied for residential and other human health, safety and welfare needs.

PUBLIC SERVICE COMMISSION
OFFICE OF THE SECRETARY

SEP 27 2000

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Curtailment Rules (Continued)

- (1) Issue Operational Flow Orders to customers served under Rate FT and Rider RBS, and take similar actions applicable to customers served under Special Contracts. Customers that fail to comply with Operational Flow Orders will be required to discontinue the use of natural gas.
 - (2) Discontinue service to customers served under Rate G-7.
 - (3) Discontinue service to customers served under Rate G-6.
 - (4) Implement pro-rata curtailment to Large Industrial Rate IGS and Rider RBS customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.
 - (5) Once curtailment in level 4 (above) is 0% of Base Period Volumes, implement pro-rata curtailment to the remainder of Industrial and non-human needs commercial use customers. These customers would be required to reduce their usage down to a specified percentage of Base Period Volumes.
 - (6) Once customers in level 5 (above) have reduced their usage to 0% of Base Period Volumes, request reduction of gas usage by commercial, residential, and human needs customers.
 - (7) Implement procedures for interruption of selected electrical distribution circuits on a rotational basis.
6. **DISCONTINUANCE OF SERVICE:** If any customer subject to interruption or curtailment under these rules fails to limit its use of gas as provided for herein, then LG&E shall have the right, after reasonable notice, to immediately and permanently discontinue all gas supply to such customer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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PURSUANT TO 807 KAR 5:011,
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BY: Stephen O. Boy **CANCELLED**
SECRETARY OF THE COMMISSION

JUL 1 2004

Date Effective: September 27, 2000

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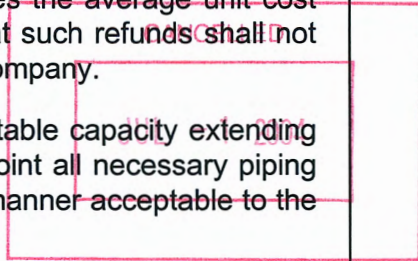
Issued By

R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Gas Main Extension Rules

1. The Company will extend its gas mains at its own expense for a distance of one hundred feet to each bona-fide applicant for year-round gas service who agrees in writing to take service within one year after the extension is completed by connecting a major gas-consuming appliance (i.e., furnace, water heater, yard light, pool heater) and who has a suitable Customer's Service Line installed and ready for connection.
2. The Company will extend its gas mains in excess of the above distance provided the applicant for service advances to the Company an amount equal to the estimated cost of such excess portion of the extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and location of the extension, as well as the timing of its construction.
3. Where funds were advanced in accordance with paragraph 2 for extensions into developed residential neighborhoods and notwithstanding paragraph 1, any customer that subsequently connects to the main during a 10 year period from the effective date of the main extension contract shall advance to the Company a pro rata share of the cost of the extension over 100 feet per connected customer.
4. For each new year-round customer connected to an extension in accordance with paragraph 3, the Company will refund to the previous applicant(s) who advanced funds an amount equal to the difference between the refundable amount advanced and the amount of the advance so determined for the new applicant.
5. The Company will extend its gas mains to serve a proposed real estate subdivision provided the applicant for such extension advances to the Company an amount equal to the estimated cost of the total extension. The Company shall have the right to determine the length of the extension and to specify the pipe size and the location of the extension, as well as the timing of its construction.
6. For each new year-round customer actually connected to the extension within a ten-year period following the effective date of the gas main extension contract, but not to extensions or laterals therefrom, the Company will refund to applicant(s) who advanced funds in accordance with paragraph 5 above an amount equal to 100 times the average unit cost per foot of extension advanced by such applicant(s); provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to the Company.
7. The Company will install at its own expense a service pipe of suitable capacity extending from its gas main to the customer's property line beyond which point all necessary piping shall be installed by and at the expense of the customer and in a manner acceptable to the Company.
8. The Company will install at its own expense the necessary meter together with the regulator required to convert from medium pressure to service pressure. When a high pressure gas line is tapped to serve a customer or group of customers, the Company may charge the customer or customers for the estimated installed cost of the additional high pressure regulator.



PUBLIC SERVICE COMMISSION
SECTION 9 (1)
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Refiled: October 14, 2000
SECTION 9 (1)
BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Gas Main Extension Rules (Continued)

- 9. In the event the Company is required to make a further extension of its mains to serve a customer, Company reserves the right to tap any extension constructed under these rules and to make connections from such additional extensions without application of the refunds referred to in paragraph 4 or 6 above.
- 10. The title to all extensions herein provided for, together with all necessary rights-of-way, permits and easements, shall be and remain in the Company.
- 11. The Company shall not be obligated to make service connections or to extend its gas mains in cases where such extensions or connections, in the sole judgement of Company would be infeasible, impractical, or contrary to good operating practice, or where such extensions are not in accordance with the terms of the applicable rate schedule.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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BY: Stephan O. [Signature] **CANCELLED**
SECRETARY OF THE COMMISSION

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Issued By
R. M. Hewett
R. M. Hewett, Group Executive
Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Budget Payment Plan

The Company's Budget Payment Plan is available to any residential customer and to any small commercial or industrial customer served under Rates CGS and IGS. Small business customers must have a minimum of three months of usage history and a zero balance owed on their account(s) to be eligible for the Budget Payment Plan. Small business customers with combined gas and electric services must be served exclusively under General Service Rate GS for their electric service. Under this plan, customers may elect to pay, each month, a budgeted amount in lieu of monthly billings for actual usage. The budgeted amount will be determined by the Company, and under normal circumstances, will be based on one-twelfth of the customer's usage during the most recent twelve months. The budgeted amount will be subject to review and adjustment by the Company. For a customer with less than twelve months of usage at the current address, the initial budget amount will be based on the type of service. Except as provided above, a customer may enroll in the plan at any time.

Every three months a new average bill amount is calculated based on the customer's most recent twelve months usage. If this amount varies from the current budget amount by more than ten percent, it becomes the new budget amount.

Each year the Company will calculate the difference between the budgeted amounts over the previous twelve months and the monthly billings based on the customer's actual usage over the same period. One-twelfth of this difference will then be credited or charged to the customer in each of the next twelve monthly billings.

If a customer's account is more than two months past due, the Company will notify the customer that the customer's account may be removed from the plan if payment arrangements are not made. The Company reserves the right to revoke the plan, restore the customer to regular billing and require immediate payment of any deficiency.

Failure to receive a bill in no way exempts a customer from the provisions of these terms and conditions.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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PURSUANT TO 807 KAR 5.011,
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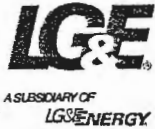
R. M. Hewett, Group Executive
Louisville, Kentucky

Date Effective: December 1, 2000

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RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Bill Format



Customer Service: (502) 589-1444
Mon-Fri 8AM-5PM
www.lgeenergy.com

Help us serve you better. Review your home phone number on the payment stub. If incorrect, please indicate the correct number.

Averages for Billing Period	This year	Last year
Average Temperature	35°	39°
Number of Days Billed	34	34
Electric/kWh per Day	13.47	10.59
Gas/ccf per Day	0.74	0.65

DATE DUE	AMOUNT DUE
01/28/01	\$52.55

ACCOUNT INFORMATION	
Account Number:	1234-1234-1234-1 0
Account Name:	John D. Customer
Service Address:	789 Any Street
Next Scheduled Reading:	02/09/01

BILLING SUMMARY	
Previous Balance	\$ 34.18
Payment Received As Of 12/28	\$ 34.18
Balance As Of 12/28	\$ 0.00
Electric Charges	\$26.21
Gas Charges	\$26.34
Current Utility Charges 1/28	\$ 52.55
Total Amount Due	\$ 52.55

ELECTRIC CHARGES			
Rate Type: R—RESIDENTIAL			
Customer Charge	\$ 3.29	Meter Reading Information	
Energy Charge	\$ 24.39	Meter #123456	
Other Charges for Above Rates		Actual Reading on 1/11	34014
Electric Fuel Adjustment (\$0.00236 CR x 458 kWh)	\$ (1.08)	Actual Reading on 12/09	33556
Electric Residential DSM Amt (\$0.00006 x 458 kWh)	\$ 0.03	Current kWh Usage	458
Environmental Surcharge (0.620% x \$26.63)	\$ 0.17	Meter Multiplier	1
Merger Surcredit (2.157% CR x \$26.79)	\$ (0.58)	Metered kWh Usage	458
Total Electric Charges	\$ 26.21		

GAS CHARGES			
Rate Type: RGS—RESIDENTIAL			
Customer Charge	\$ 7.00	Meter Reading Information	
Gas Distribution Charge	\$ 3.37	Meter #12345	
Other Charges for Above Rates		Actual Reading on 01/11	1750
Gas Supply Cost Component (\$0.64371 x 25 ccf)	\$ 16.09	Actual Reading on 12/09	1725
Gas Residential DSM Amt (\$0.00468 CR x 25 ccf)	\$ (0.12)	Current ccf Usage	25
Total Gas Charges	\$ 26.34	Meter Multiplier	1
		Metered ccf Usage	25

Customer Service (502) 589-1444

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT TO SERVICE COMMISSION

Account Number	Payment Due Date	Total Amount Due	Amount Due After Due Date	Winter Help Donation	Amount Enclosed
1234-1234-1234-1 0	01/28/01	\$52.55	\$55.18	\$	\$

OFFICE USE ONLY:
C07, R076,
S01139

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P.O. Box 32000
Louisville, Kentucky 40232

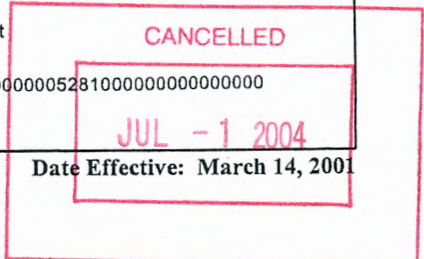
#AAABBB
#01234567890000 0 00
JOHN D. CUSTOMER
789 ANY STREET
LOUISVILLE KY 40000-0000
PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)
BY: *Stephan D. Beer*
SECRETARY OF THE COMMISSION



Home Phone # (502) 555-0000

Service Address: 789 Any Street

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Date of Issue: March 14, 2001
Canceling: Original Sheet No. 25
Issued: June 29, 1992

Issued By

[Signature]

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: March 14, 2001

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

Bill Format

Account Number: 1234-1234-1234-1 0 Page 2

BILLING INFORMATION

If you would like a rate schedule, please contact us and we will be glad to send you one.

Franchise Fee: A pass-through of fees paid by the Company to municipalities for the right to serve customers located in those municipalities.

IMPORTANT INFORMATION

Let the Automatic Bank Club Program simplify your life. Call Customer Service at 1-502-627-3313 for more information.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 14 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

By: Stephan D. Bee
SECRETARY OF THE COMMISSION

If enrolling, also check box on front of stub.

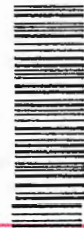
YES, I want to enroll in the Automatic Bank Club.

Please deduct my Automatic Bank Club payment from my Checking Account.

(Voided check must be provided.)

I hereby authorize LG&E to debit my bank account for payment of my monthly energy bill. This authorization will remain in effect until revoked by me or LG&E.

Signature _____ Date _____



CANCELLED

JUL - 1 2004

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Canceling: Original Sheet No. 26
Issued: June 29, 1992

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: March 14, 2001

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules

1. COMMISSION RULES AND REGULATIONS

All gas service supplied by the Company shall be in accordance with the applicable rules and regulations of the Public Service Commission of Kentucky.

2. COMPANY RULES AND REGULATIONS

In addition to the rules and regulations of the Commission, all gas service supplied by the Company shall be in accordance with these "Rules and Regulations Governing the Supply of Gas Service," which shall constitute a part of all applications and contracts for service.

3. RATES, RULES AND REGULATIONS ON FILE

A copy of the rate schedules, rules, and regulations under which gas service is supplied is on file with the Public Service Commission of Kentucky. A copy of such rate schedules, rules, and regulations, together with the law, rules, and regulations of the Commission, is available for public inspection in the office of the Company.

4. APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before the Company is obligated to render gas service. The Company shall have the right to reject for valid reasons any such application or contract.

All applications for service shall be made in the legal name of the party desiring the service.

Where an unusual expenditure for construction or equipment is necessary or where the proposed manner of using gas service is clearly outside the scope of Company's standard rate schedules, Company may establish special terms and require special contracts giving effect to such unusual circumstances.

5. TRANSFER OF APPLICATION

Applications for gas service are not transferable and new occupants of premises will be required to make application for service before commencing the use of gas. Customers who have been receiving gas service shall notify the Company when discontinuance of service is desired, and shall pay for all gas service furnished until such notice has been given and final meter readings made by the Company.

6. DEPOSITS

The Company may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 278.460, will be paid annually either by refund or credit to the customer's bills, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.

The deposit may be waived upon a customer's showing of satisfactory credit or payment history, and residential deposits will be returned after one (1) year, non-residential after three (3) years, if the customer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The Company may require a

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BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

deposit in addition to the initial deposit if the Customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts, and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria will be considered:

1. Previous payment history with the Company. If the customer has no previous history with the Company, statements from other utilities, banks, etc. may be presented by the customer as evidence of good credit.
2. Whether the customer has an established employment for two (2) years or more or line of credit.
3. Length of time the customer has had service with the Company.
4. Whether the customer owns the property.
5. Whether the customer has filed prior bankruptcy proceedings.
6. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit for non-residential accounts only.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

Residential customers with the same type of service will pay equal deposits according to the following schedule:

<u>Appliances In Use</u>	<u>Deposit</u>
Electric Water Heater	\$ 25.00
Electric Lights, Refrigerator, Small Appliances	45.00
Gas, Include Range, Water Heater/or either	20.00
Electric and Gas (1 and 2 above)	65.00
Electric, Gas Heating	120.00
Electric, Gas, Electric Water Heating	90.00
Electric, Gas Heating, Electric Water Heating	145.00
Electric Air Conditioning (Window Units)	85.00
Electric Heat, Electric Air Conditioning (Window Units)	150.00
Central Air Conditioning	110.00
Space Heat and Central Air Conditioning	180.00
Electric, Electric Water Heating	70.00
Electric Heating only	120.00
Gas Heating	75.00
Gas, Heating, Air Conditioning	110.00
Maximum Deposit Required	180.00

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RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

For industrial or commercial accounts, customer deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

7. MONITORING OF CUSTOMER USAGE

In order to detect unusual deviations in individual customer consumption, the Company will monitor the usage of each customer at least once annually. Should an unusual deviation in the customer's consumption be found which cannot be attributed to a readily identified common cause, the Company will perform a detailed analysis of the customer's monthly meter reading and billing records. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Section 10(4) and (5). In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

8. COMPANY'S EQUIPMENT AND INSTALLATION

The Company will furnish, install, and maintain at its expense the necessary Service Connection extending from its main to the customer's nearest property line, the location of which Service Connection shall be at the discretion of the Company.

The Company will furnish, install, and maintain at its expense the necessary meter, regulator, and connections appurtenant thereto, which shall be located in accordance with the discretion and judgment of the Company. A suitable site or location for such meter and regulation, together with an adequate protective enclosure for the same, if required, shall be provided by the customer. Title to the meter, regulator, and connections shall remain in the Company, with the right to install, operate, maintain and remove same. The customer shall protect such property of the Company from loss or damage, and no one who is not an agent of the Company shall be permitted to remove, damage or tamper with the same. The customer shall execute such reasonable form of easement agreement as may be required by Company.

Notwithstanding the provisions of 807 KAR 5:006, Section 13(4), a reasonable time shall be allowed subsequent to customer's service application to enable Company to construct or install the facilities required for such service. In order that Company may make suitable provision for enlargement, extension or alteration of its facilities, each applicant for commercial or industrial service shall furnish the Company with realistic estimates of prospective gas requirements.

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RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

9. CUSTOMER'S EQUIPMENT AND INSTALLATION

The customer shall furnish, install, and maintain at his expense the necessary Customer's Service Line extending from Company's Service Connection at the property line to the building or place of utilization of the gas.

All piping, appliances, and other gas equipment and apparatus, except the meter and regulator, located on and within the customer's premises beyond point of connection with the Company's Service Commission at the property line shall be furnished and installed by and at the expense of the customer, and shall be maintained by the customer in good and safe condition. The Company assumes no responsibility whatsoever for the condition of the customer's piping, apparatus or appliances, nor for the maintenance or renewal of any portion thereof.

10. POINT OF DELIVERY OF GAS

The point of delivery of gas supplied by the Company shall be at the point where the gas passes from the pipes of Company's Service Connection into the customer's Service Line, irrespective of the location of the metering and regulating equipment.

11. ACCESS TO PREMISES AND EQUIPMENT

The Company shall have the right of access to the customer's premises at all reasonable times for the purpose of installing, meter reading, inspecting, repairing, or removing its equipment used in connection with its supply of gas service or for the purpose of turning on and shutting off the gas supply when necessary and for all other proper purposes. The customer shall not construct or permit the construction of any structure or device which will restrict the access of the Company to its equipment for any of the above purposes.

12. COMPANY NOT LIABLE FOR DAMAGE ON CUSTOMER'S PREMISES

The Company is merely a supplier of gas service delivered at the customer's property line, and shall not be liable for and shall be protected and held harmless for any injury or damage to persons or property of the customer or of third persons resulting from the presence, use or abuse of gas on the customer's premises or resulting from defects in or accidents to any of customer's piping, equipment, apparatus, or appliances, or resulting from any cause whatsoever other than the negligence of the Company.

13. COMPANY NOT LIABLE FOR INTERRUPTIONS

The Company will exercise reasonable care and diligence in an endeavor to supply gas service continuously and without interruption, except as provided in the terms of certain rate schedules; however, the Company does not guarantee continuous service and shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of gas service not caused by the wilful negligence of Company, or resulting from any cause or circumstance beyond the reasonable control of the Company.

14. STANDARD PRESSURE AND MEASUREMENT BASE

The standard distribution pressure of the gas supplied by Company is four ounces per square inch above atmospheric pressure.

Atmospheric pressure shall be assumed in all cases to be 14.7 pounds per square inch and temperature shall be assumed to be 60 degrees Fahrenheit, provided however,

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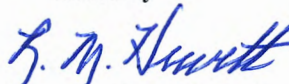
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RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

the Company reserves the right for billing purposes to correct as necessary the actual temperature to a 60 degree Fahrenheit basis in the case of large volume customers.

All gas measured at pressures higher than the standard pressure shall be converted to a pressure base of 14.73 pounds per square inch absolute for billing purposes.

15. CHARACTER OF SERVICE

The gas to be supplied by Company shall be natural gas with a heating value of not less than 1,000 Btu per cubic foot; provided, however, that in the case of a supply emergency, Company reserves the right to supplement its supply of natural gas with a mixture of vaporized liquified petroleum gas and air, in which case the heating value of the gas mixture supplied shall not be less than 1,000 Btu per cubic foot.

16. MANNER IN WHICH SERVICE MAY BE USED

Gas service shall not be used for purposes other than as set forth in customer's application or contract.

17. NOTICE TO COMPANY OF CHANGES IN CUSTOMER'S LOAD

The service pipes, meters, and appurtenances supplied by the Company for the rendition of gas service to its customers have a definite capacity. Any customer contemplating a material increase in his load shall give the Company reasonable notice of such fact to enable Company to increase the capacity of its facilities.

18. PERMITS

The customer shall obtain or cause to be obtained all permits, easements, or certificates, except street permits, necessary to give the Company or its agents access to the customer's premises and equipment and to enable its service to be connected therewith. In case the customer is not the owner of the premises or of intervening property between the premises and the Company's distribution mains, the customer shall obtain from the proper owner or owners the necessary consent to the installation and maintenance in said premises and across such intervening property of the customer's piping and facilities required for the supply of gas service to the customer. Provided, however, to the extent permits, easements, or certificates are necessary for the installation and maintenance of Company-owned facilities, the Company shall obtain the aforementioned consent.

The Company shall make or cause to be made application for any necessary street permits, and shall not be required to supply service under the customer's application until a reasonable time after such permits are granted.

19. RESALE OF GAS

Gas service furnished under the Company's standard application or contract is for the use of the customer only, and no customer shall resell such gas to any other person, firm, or corporation on the customer's premises or for use on any other premises without the written consent of Company. If gas is resold in accordance with such written consent of Company, the gas may be resold only under one of the following two procedures: (1) the monthly bill for natural gas service shall be divided by the total volume delivered to the customer during the month by LG&E and the resulting cost per unit of volume shall be applied to the volume of gas used by each end-user; or (2) such gas shall be resold at rates which are identical to the rates which would be charged by the Company for like and contemporaneous service.

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RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

20. METER READINGS AND BILLS

Bills for gas service will be rendered monthly unless otherwise specified. A month as referred to herein and in the Company's rate schedules means the period between two consecutive meter readings, such readings to be taken as nearly as feasible thirty days apart.

In the case of opening and closing bills when the total period between regular and special meter readings is less than thirty days, the rate blocks and minimum charges of the applicable rate schedules will be prorated on the basis of the ratio of the actual number of days in such period to thirty days.

When Company is unable to read customer's meter after reasonable effort, or when Company experiences circumstances which make actual meter readings impossible or impracticable, customer may be billed on an estimated basis and the billing will be adjusted as necessary when the meter is read.

In the event Company's gas meter fails to register properly by reason of damage, accident, etc., the Company shall have the right to estimate the customer's consumption during the period of failure on the basis of such factors as the customer's connected load, heating degree days, and consumption during a previous corresponding period and during a test period immediately following replacement of the defective meter.

Where the Company serves a customer with both electric and gas service at the same service location, the Company will render a combined bill. Provided, however, a residential customer may request, and the Company will render, separate bills under the following conditions: (1) the customer is being threatened with disconnection for non-payment or has already been disconnected for that reason and (2) the customer would be able to pay either the gas or electric portion of his bill and thus retain one service.

Bills are due and payable in their net amount at the office of the Company during business hours, or at other locations designated by the Company, within 15 days from date of rendition thereof. In the event bill is not paid on or before the final day of this 15 day net payment period, the gross bill including forfeited discount or delayed payment charge shall become due and payable at the office of the Company.

Failure to receive a bill does not exempt a customer from these provisions.

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21. READING OF SEPARATE METERS NOT COMBINED

For billing purposes each meter upon the customer's premises will be considered separately and readings of two or more meters will not be combined except where the Company's operating convenience requires the installation of two or more meters upon the customer's premises instead of one meter.

22. COMPANY'S RIGHT TO REFUSE OR DISCONTINUE SERVICE

In accordance with and subject to the rules and regulations of the Public Service Commission of Kentucky, the Company shall have the right to refuse or discontinue to serve an applicant or customer under the following conditions:

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OFFICE OF THE SECRETARY

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SECRETARY OF THE COMMISSION

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)


- A. When Company's or Commission's rules and regulations have not been complied with. However, service may be discontinued or refused only after Company has made a reasonable effort to induce the customer to comply with its rules and then only after the customer has been given at least 10 days written notice of such intention, mailed to his last known address.
- B. When a dangerous condition is found to exist on the customer's or applicant's premises. In such case, service will be discontinued without notice or refused, as the case might be. Company will notify the customer or applicant immediately of the reason for the discontinuance or refusal and the corrective action to be taken before service can be restored or initiated.
- C. When a customer or applicant refuses or neglects to provide reasonable access and/or easements to and on his premises for the purposes of installation, operation, meter reading, maintenance, or removal of Company's property. Customer shall be given 15 days written notice of Company's intention to discontinue or refuse service.
- D. When applicant is indebted to Company for service furnished. Company may refuse to serve until indebtedness is paid.
- E. When customer or applicant does not comply with state, municipal or other codes, rules and regulations applying to such service.
- F. When directed to do so by governmental authority.
- G. For non-payment of bills. The Company shall have the right to discontinue service for non-payment of bills after the customer has been given at least ten days written notice, separate from the original bill. Cut-off may be effected not less than 27 days after the mailing date of the original bill unless, prior to discontinuance, a residential customer presents to Company a written certificate, signed by a physician, registered nurse, or public health officer, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than 30 days from the original date of discontinuance. The Company shall notify the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance.
- H. Service will not be supplied or continued to any premises if the applicant or customer is indebted to the Company for service previously supplied at the same or any other premises until payment of such indebtedness shall have been made. Unpaid balances of previously rendered Final Bills may be transferred to any account for which the customer has responsibility and may be included on initial or subsequent bills for the account to which the transfer was made. Such transferred Final Bills, if unpaid, will be a part of the past due balance of the account to which they are transferred and will be subject to the Company's collection and disconnection.

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 BY STEPHEN O. BULL
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Date Effective: January 30, 2002


 Michael S. Beer, Vice President
 Louisville, Kentucky

RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

procedures. Final Bills may be transferred regardless of whether they are for combination gas and electric or gas only or electric only charges. The Company shall have the right to transfer Final Bills between residential and commercial with residential characteristics (e.g., service supplying common use facilities of any apartment building) revenue classifications.

Service will not be supplied or continued to any premises if at the time of application for service the applicant is merely acting as an agent of a person or former customer who is indebted to the Company for service previously supplied at the same or other premises until payment of such indebtedness shall have been made. Service will not be supplied where the applicant is a partnership or corporation whose general partner or controlling stockholder is a present or former customer who is indebted to the Company for service previously supplied at the same premises until payment of such indebtedness shall have been made.

- I. For fraudulent or illegal use of service. When Company discovers evidence that by fraudulent or illegal means a customer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained service without same being properly measured, the service to the customer may be discontinued without prior notice. Within twenty-four (24) hours after such termination, the Company shall send written notification to the customer of the reasons for such discontinuance of service and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission of Kentucky. The Company's right of termination is separate from and in addition to any other legal remedies which the Company may pursue for illegal use or theft of service. The Company shall not be required to restore service until the customer has complied with all rules of the Company and regulations of the Commission and the Company has been reimbursed for the estimated amount of the service rendered and the cost to the Company incurred by reason of the fraudulent use.

23. TEMPORARY AND SHORT TERM SERVICE

The customer shall pay the cost of all material, labor and expense incurred by the Company in supplying gas service for any temporary or short term use, in addition to the regular rates for service without pro-rating of rate blocks or minimum bills for service of less than thirty days in a regular meter reading period.

24. CHARGES FOR DISCONNECTING AND RECONNECTING SERVICE

A charge of \$18.50 will be made to cover disconnection and reconnection of gas service when discontinued for non-payment of bills or for violation of the Company's rules and regulations, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$18.50. No charge will be made under this rule 24 for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection.

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Michael S. Beer, Vice President
Louisville, Kentucky

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RULES AND REGULATIONS GOVERNING THE SUPPLY OF GAS SERVICE

General Rules (Continued)

T

Customers under Gas Rates RGS, CGS and IGS may request and be granted a temporary suspension of gas service. In the event of such temporary suspension, Company will make a charge of \$18.50 to cover disconnection and reconnection of gas service, such charge to be made before reconnection is effected. If both gas and electric services are reconnected at the same time, the total charge for both services shall be \$18.50.

25. CHOICE OF OPTIONAL RATES

When two or more rate schedules are available for the same class of service and the customer is undecided as to which schedule will result in the lowest annual cost, the Company will assist the customer in the choice of the most favorable schedule, the customer then to designate the schedule he desires. In those cases in which the most favorable schedule is difficult to pre-determine, the customer will be given reasonable opportunity to change to another schedule after trial of the schedule originally designated; provided, however, that, after the first such change, the Company may not be required to make a change in schedule more often than once in twelve months.

While the Company will endeavor to assist customers in the choice of the most advantageous schedule, it does not guarantee that customers will at all times be served under the most favorable rate, nor will the Company make refunds representing the difference in charges between the rate under which service has actually been billed and another rate applicable to the same class of service.

26. MISCELLANEOUS CHARGES

With respect to customer's service line and house line inspections prior to initiation or resumption of gas service, the Company will make two such inspections without charge. When more than two trips are necessary to complete the inspections at any one location, a charge of \$5.00 will be made for each additional trip.

When a leak is determined to exist in a customer's service line the Company will, when practicable, install a temporary substitute service line upon request of the customer. The charge for the installation and removal of such temporary line will be \$20.00.

27. CHARGE FOR RETURNED CHECKS

When any customer's check tendered in payment of a bill for service is returned by a bank as unpaid, the customer will be charged a fee of \$7.50 to cover the cost of further processing of the account.

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Issued October 16, 2000

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Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE	RGS
Residential Rate	

APPLICABLE

In all territory served.

AVAILABILITY

Available for residential customers.

RATE

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>73.105</u>
Total Charge Per 100 Cubic Feet	86.562¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM & ENERGY EFFICIENCY COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL


The customer charge.

PROMPT PAYMENT PROVISION


The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

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EXECUTIVE DIRECTOR

Date of Issue: January 30, 2004
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Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

STANDARD RATE SCHEDULE

RGS

Residential Rate

APPLICABLE

In all territory served.

AVAILABILITY

Available for residential customers.

RATE

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	85.911¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM & ENERGY EFFICIENCY COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

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FEB 2004


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 OF KENTUCKY
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Issued By 
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 Louisville, Kentucky

Date Effective: November 1, 2003

R
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STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS

APPLICABLE

To Gas Service Rate RGS.

AVAILABILITY

Available to any customer who takes gas service under Rate RGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:

Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>73.105</u>
Total Charge Per 100 Cubic Feet	81.562¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

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STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate RGS

APPLICABLE

To Gas Service Rate RGS.

AVAILABILITY

Available to any customer who takes gas service under Rate RGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet:

Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	80.911¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate RGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

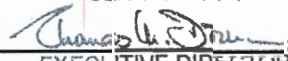
The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

CANCELLED
FEB 2004

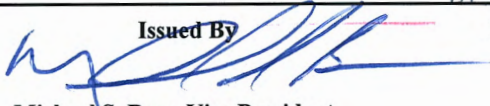
NOV 01 2003

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY 
EXECUTIVE DIRECTOR

Date of Issue: October 31, 2003
Canceling Fifteenth Revision of
Original Sheet No. 2-A
Issued July 24, 2003

Issued By



Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: November 1, 2003

R
R

STANDARD RATE SCHEDULE

CGS

Firm Commercial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

RATE

Customer Charge

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component 13.457¢

Gas Supply Cost Component 73.105

Total Charge Per 100 Cubic Feet 86.562¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

PUBLIC UTILITIES COMMISSION
OF KENTUCKY
EFFECTIVE

CANCELLED
FEB 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date Effective: February 1, 2004

BY: *Michael S. Beer*
EXECUTIVE DIRECTOR

Date of Issue: January 30, 2004
Canceling Sixteenth Revision of
Original Sheet No. 3
Issued October 31, 2003

Issued By

Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

CGS

Firm Commercial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

Available for commercial customers. As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

RATE

Customer Charge

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component 13.457¢

Gas Supply Cost Component 72.454

Total Charge Per 100 Cubic Feet 85.911¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION EFFECTIVE

CANCELLED FEB 2004 NOV 01 2003 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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Date of Issue: October 31, 2003
Canceling Fifteenth Revision of Original Sheet No. 3
Issued July 24, 2003

Issued By [Signature] BY [Signature] Date Effective: November 1, 2003
EXECUTIVE DIRECTOR
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS

APPLICABLE

To Gas Service Rate CGS.

AVAILABILITY

Available to any customer who takes gas service under Rate CGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet

Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>73.105</u>
Total Charge Per 100 Cubic Feet	81.562¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM Cost Recovery Mechanism:

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.


PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY Charles L. Drexler
EXECUTIVE DIRECTOR

Date of Issue: January 30, 2004
Canceling Sixteenth Revision of
Original Sheet No. 3-A
Issued October 31, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004

RECEIVED
MAY 2004

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate CGS

APPLICABLE

To Gas Service Rate CGS.

AVAILABILITY

Available to any customer who takes gas service under Rate CGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet	
Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	80.911¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate CGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM Cost Recovery Mechanism:

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

CANCELLED

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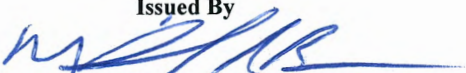
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY Charles L. Dowd
EXECUTIVE DIRECTOR

FEB 2004

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Date of Issue: October 31, 2003
Canceling Fifteenth Revision of
Original Sheet No. 3-A
Issued July 24, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: November 1, 2003

STANDARD RATE SCHEDULE

IGS

Firm Industrial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	73.105
Total Charge Per 100 Cubic Feet	86.562¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 01 2004

CANCELLED

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

MAY 2004

Date of Issue: January 30, 2004
Canceling Sixteenth Revision of
Original Sheet No. 4
Issued October 31, 2003

Issued By

[Signature]
Michael S. Beer, Vice President
Louisville, Kentucky

BY *[Signature]* Date Effective: February 1, 2004
EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

IGS

Firm Industrial Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

Available for industrial customers. As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

RATE

Customer Charge:

If all of the customer's meters have a capacity < 5000 cf/hr: \$16.50 per delivery point per month

If any of the customer's meters have a capacity ≥ 5000 cf/hr: \$117.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	85.911¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

MINIMUM BILL

The customer charge.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

APPLICABILITY OF RULES

Service under this rate schedule is subject to Company's rules and regulations governing the supply of gas service as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY

CANCELLED
FEB 2001

NOV 01 2003

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date of Issue: October 31, 2003
Canceling Fifteenth Revision of
Original Sheet No. 4
Issued July 24, 2003

Issued By

BY

Chancy D. Jones
Date Effective: November 1, 2003
EXECUTIVE DIRECTOR

Michael S. Beer
Michael S. Beer, Vice President
Louisville, Kentucky

R
R

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

APPLICABLE

To Gas Service Rate IGS.

AVAILABILITY

Available to any customer who takes gas service under Rate IGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet	
Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>73.105</u>
Total Charge Per 100 Cubic Feet	81.562¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 01 2004


PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY Thomas L. Brown
EXECUTIVE DIRECTOR

Date Effective: February 1, 2004

MAY 2004

Date of Issue: January 30, 2004
Canceling Sixteenth Revision of
Original Sheet No. 4-A
Issued October 31, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Issued Pursuant to K.P.S.C. Order dated 1/28/04 in Case No. 2003-00506

STANDARD RIDER

Summer Air Conditioning Service Under Gas Service Rate IGS

APPLICABLE

To Gas Service Rate IGS.

AVAILABILITY

Available to any customer who takes gas service under Rate IGS and who has installed and in regular operation a gas burning summer air conditioning system with a cooling capacity of three tons or more. The special rate set forth herein shall be applicable during the five monthly billing periods of each year beginning with the period covered by the regular June meter reading and ending with the period covered by the regular October meter reading.

RATE

Charge Per 100 Cubic Feet	
Distribution Cost Component	8.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	80.911¢

All monthly consumption other than "Summer Air Conditioning Consumption" shall be billed at the regular charges set forth in Rate IGS.

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

CANCELLED
FEB 2004

NOV 01 2003

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date of Issue: October 31, 2003
Canceling Fifteenth Revision of
Original Sheet No. 4-A
Issued July 24, 2003

Issued By Michael S. Beer BY [Signature] Date Effective: November 1, 2003
EXECUTIVE DIRECTOR
Michael S. Beer, Vice President
Louisville, Kentucky

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STANDARD RATE SCHEDULE

VDF

Volunteer Fire Department Rate

APPLICABLE

In all territory served by the Company.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

RATE

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>73.105</u>
Total Charge Per 100 Cubic Feet	86.562¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

MINIMUM BILL

The Customer Charge will be the minimum bill.

ADJUSTMENT CLAUSES

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with:

Demand Side Management Cost Recovery Mechanism	Sheet No. 11
Value Delivery Surcredit	Sheet No. 11-F
Franchise Fee	Sheet No. 11-G

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

RULES AND REGULATIONS

Service under this rate schedule is subject to the Company's rules and regulations or terms and conditions as approved by the Public Service Commission of Kentucky and as incorporated in this Tariff.


PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

FEB 0 1 2004

PURSUANT TO 807 KAR 5:011 SECTION 9(1)

CANCELLED

Date of Issue: January 30, 2004
Canceling Sixth Revision of
Original Sheet No. 5
Issued October 31, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

BY  Date Effective: February 1, 2004
EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

VDF

Volunteer Fire Department Rate

APPLICABLE

In all territory served by the Company.

AVAILABILITY OF SERVICE

Available, in accordance with the provisions of KRS 278.172, to any volunteer fire department qualifying for aid under KRS 95A.262. It is optional with the customer whether service will be provided under this schedule or any other schedule applicable to this load.

DEFINITION

To be eligible for this rate a volunteer fire department is defined as;

- 1) having at least 12 members and a chief,
- 2) having at least one fire fighting apparatus, and
- 3) more than half the members must be volunteer.

RATE

Customer Charge: \$7.00 per delivery point per month

Charge Per 100 Cubic Feet:

Distribution Cost Component	13.457¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	85.911¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.

Off-Peak Pricing Provision:

The "Distribution Cost Component" applicable to monthly usage in excess of 100,000 cubic feet shall be reduced by 5.0¢ per 100 cubic feet during the seven monthly off-peak billing periods of April through October. The first 100,000 cubic feet per month during such period shall be billed at the rate set forth above.

MINIMUM BILL

The Customer Charge will be the minimum bill.

ADJUSTMENT CLAUSES

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with:

Demand Side Management Cost Recovery Mechanism	Sheet No. 11
Value Delivery Surcredit	Sheet No. 11-F
Franchise Fee	Sheet No. 11-G

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 5% thereof, which amount will be deducted provided the bill is paid within 15 days from date.

RULES AND REGULATIONS

Service under this rate schedule is subject to the Company's rules and regulations or terms and conditions as approved by the Public Service Commission of Kentucky and as incorporated in this Tariff.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

CANCELLED


FEB 2004

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

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Date of Issue: October 31, 2003
Canceling Fifth Revision of
Original Sheet No. 5
Issued July 24, 2003

Issued By


Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: November 1, 2003
BY  EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

G-6

Seasonal Off-Peak Gas Rate

APPLICABLE

In all territory served.

AVAILABILITY

Available during the 275-day period from March 15 to December 15 of each year to commercial and industrial customers using over 50,000 cubic feet of gas per day who can be adequately served from the Company's existing distribution system without impairment of service to other customers and who agree to the complete discontinuance of gas service for equipment served hereunder and the substitution of other fuels during the 3-month period from December 15 to March 15. No gas service whatsoever to utilization equipment served hereunder will be supplied or permitted to be taken under any other of the Company's gas rate schedules during such 3-month period. Any gas utilization equipment on customer's premises of such nature or used for such purposes that gas service thereto cannot be completely discontinued during the period from December 15 to March 15 will not be eligible for service under this rate, and gas service thereto must be segregated from service furnished hereunder and supplied through a separate meter at the Company's applicable standard rate for year-around service. This rate shall not be available for loads which are predominantly space heating in character or which do not consume substantial quantities of gas during the summer months.

RATE

Customer Charge: \$150.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component	6.855¢
Gas Supply Cost Component	<u>73.105</u>
Total Charge Per 100 Cubic Feet	79.960¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.


Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

FEB 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1) FILED

EXECUTIVE DIRECTOR
Date Effective: February 1, 2004

Date of Issue: January 30, 2004
Canceling Sixteenth Revision of
Original Sheet No. 6
Issued October 31, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

G-6

Seasonal Off-Peak Gas Rate

APPLICABLE

In all territory served.

AVAILABILITY

Available during the 275-day period from March 15 to December 15 of each year to commercial and industrial customers using over 50,000 cubic feet of gas per day who can be adequately served from the Company's existing distribution system without impairment of service to other customers and who agree to the complete discontinuance of gas service for equipment served hereunder and the substitution of other fuels during the 3-month period from December 15 to March 15. No gas service whatsoever to utilization equipment served hereunder will be supplied or permitted to be taken under any other of the Company's gas rate schedules during such 3-month period. Any gas utilization equipment on customer's premises of such nature or used for such purposes that gas service thereto cannot be completely discontinued during the period from December 15 to March 15 will not be eligible for service under this rate, and gas service thereto must be segregated from service furnished hereunder and supplied through a separate meter at the Company's applicable standard rate for year-around service. This rate shall not be available for loads which are predominantly space heating in character or which do not consume substantial quantities of gas during the summer months.

RATE

Customer Charge: \$150.00 per delivery point per month

Charge Per 100 Cubic Feet

Distribution Cost Component	6.855¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	79.309¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13, and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

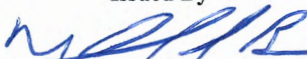
CANCELLED

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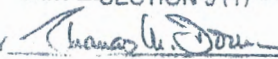
NOV 01 2003

Date of Issue: October 31, 2003
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 Original Sheet No. 6
 Issued July 24, 2003

Issued By


 Michael S. Beer, Vice President
 Louisville, Kentucky

PURSUANT TO 807 KAR 5:011
 Date Effective: November 1, 2003

BY 
 EXECUTIVE DIRECTOR

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R

STANDARD RATE SCHEDULE

G-7

Rate for Uncommitted Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

This rate schedule is designed to make available to commercial and industrial customers quantities of gas that Company may from time to time have available for sale without impairment of service to customers served under other rate schedules, and which can be supplied from Company's existing distribution system, subject to the special conditions hereinafter set forth.

RATE

Charge Per 100 Cubic Feet	
Distribution Cost Component	4.300¢
Gas Supply Cost Component	<u>73.105</u>
Total Charge Per 100 Cubic Feet	77.405

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheets Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

MINIMUM BILL

\$500 per month. Such monthly minimum bill will be applicable only when Company makes gas available during at least 15 days of the monthly billing period.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

CANCELLED FEB 01 2004 MAY 2004

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Date Effective: February 1, 2004

Date of Issue: January 30, 2004
Canceling Sixteenth Revision of
Original Sheet No. 7
Issued October 31, 2003

Issued By
[Signature]
BY *[Signature]*
EXECUTIVE DIRECTOR
Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

G-7

Rate for Uncommitted Gas Service

APPLICABLE

In all territory served.

AVAILABILITY

This rate schedule is designed to make available to commercial and industrial customers quantities of gas that Company may from time to time have available for sale without impairment of service to customers served under other rate schedules, and which can be supplied from Company's existing distribution system, subject to the special conditions hereinafter set forth.

RATE

Charge Per 100 Cubic Feet	
Distribution Cost Component	4.300¢
Gas Supply Cost Component	<u>72.454</u>
Total Charge Per 100 Cubic Feet	76.754¢

The "Gas Supply Cost Component" as shown above is the cost per 100 cubic feet determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 12, 13 and 14 of this Tariff.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheets Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

MINIMUM BILL

\$500 per month. Such monthly minimum bill will be applicable only when Company makes gas available during at least 15 days of the monthly billing period.

PROMPT PAYMENT PROVISION

The monthly bill will be rendered at the above net charges (including net minimum bills when applicable) plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within 15 days from date.

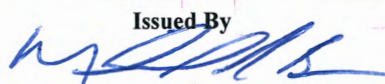
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

CANCELLED
NOV 01 2003
FEB

PURSUANT TO 807 KAR 5:011

SECTION 9(1)

Date of Issue: October 31, 2003
Canceling Fifteenth Revision of
Original Sheet No. 7
Issued July 24, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: November 1, 2003
BY 
EXECUTIVE DIRECTOR

R
R

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS

APPLICABLE

In all territory served.

AVAILABILITY

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate G-6 who consume at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

	<u>CGS</u>	<u>IGS</u>	<u>G-6</u>
Distribution Charge Per Mcf	\$1.3457	\$1.3457	\$.6855
Pipeline Supplier's Demand Component	.8907	.8907	.8907
Total	\$2.2364	\$2.2364	\$1.5762

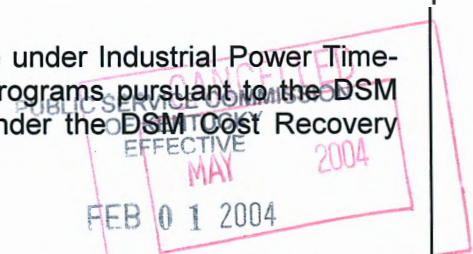
The "**Distribution Charge**" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's quarterly Gas Supply Clause.

DSM COST RECOVERY MECHANISM

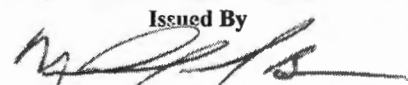
The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.



PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date of Issue: January 30, 2004
Canceling Fourteenth Revision of
Original Sheet No. 9
Issued October 31, 2003

Issued By

 Michael S. Beer, Vice President
 Louisville, Kentucky

Date Effective: February 1, 2004
 BY 
 EXECUTIVE DIRECTOR

R
R

STANDARD RIDER

Gas Transportation Service/Standby - Rate TS

APPLICABLE

In all territory served.

AVAILABILITY

Available to commercial and industrial customers served under Rate CGS and Rate IGS who consume either (a) an average of at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point, or (b) 50,000 Mcf annually at each individual Delivery Point. Also available to customers served under Rate G-6 who consume at least 50 Mcf each day during the monthly billing cycle at each individual Delivery Point. Customer shall have purchased natural gas elsewhere, and request Company to utilize its system to transport, by displacement, such customer-owned gas to place of utilization. Any transportation service hereunder will be conditioned on the Company being able to retain or secure adequate standby quantities of natural gas. In addition, transportation service hereunder will be subject to the terms and conditions herein set forth and to the availability of adequate capacity on Company's system to perform such service without detriment to its other customers.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas, the following charges shall apply:

Administrative Charge: \$90.00 per Delivery Point per month

	<u>CGS</u>	<u>IGS</u>	<u>G-6</u>
Distribution Charge Per Mcf	\$1.3457	\$1.3457	\$.6855
Pipeline Supplier's Demand Component	<u>1.0966</u>	<u>1.0966</u>	<u>1.0966</u>
Total	\$2.4423	\$2.4423	\$1.7821

The "**Distribution Charge**" applicable to Rate CGS and IGS monthly quantities in excess of 100 Mcf shall be reduced by \$.50 per Mcf during the seven off-peak billing periods of April through October. The first 100 Mcf per month during such period shall be billed at the rate set forth above.

Pipeline Supplier's Demand Component: Average demand cost per Mcf of all gas, including transported gas, delivered to Company by its pipeline supplier as determined from Company's quarterly Gas Supply Clause.

DSM COST RECOVERY MECHANISM

The monthly amount computed at the charges specified above shall be increased or decreased in accordance with the DSM Cost Recovery Component (DSMRC) set forth on Sheet Nos. 11 through 11-F of this Tariff.

Customers served hereunder who also receive electric service under Industrial Power Time-of-Day Rate LP-TOD and have elected not to participate in programs pursuant to the DSM Cost Recovery Mechanism will not be assessed a charge under the DSM Cost Recovery Mechanism.

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 NOV 01 2003
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

Date of Issue: October 31, 2003
 Canceling Thirteenth Revision of
 Original Sheet No. 9
 Issued July 24, 2003

Issued By


BY 
 Date Effective: November 1, 2003
 EXECUTIVE DIRECTOR

Michael S. Beer, Vice President
 Louisville, Kentucky

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

UTILIZATION CHARGE FOR DAILY IMBALANCES

Should an imbalance exceed ±10% of the delivered volume of gas on any day when an Operational Flow Order (as described below) has not been issued, then Company shall charge the Utilization Charge for Daily Imbalances times the recorded imbalance greater than ±10% of the delivered volume of gas for each daily occurrence. The Utilization Charge for Daily Imbalances is the sum of the following:

Daily Demand Charge:	\$0.2072 per Mcf
Daily Storage Charge:	<u>0.1200</u>
Utilization Charge for Daily Imbalances:	\$0.3272 per Mcf

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Note: The Daily Demand Charge may change with each filing of the GSCC.

These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed ±10% of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-pont price posted in "Gas Daily"

Date of Issue: January 30, 2004
Canceling Thirteenth Revision of
Original Sheet No. 10-C
Issued October 31, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

BY Date Effective: February 1, 2004
EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

FT

Firm Transportation Service (Non-Standby) (Continued)

UTILIZATION CHARGE FOR DAILY IMBALANCES

Should an imbalance exceed ±10% of the delivered volume of gas on any day when an Operational Flow Order (as described below) has not been issued, then Company shall charge the Utilization Charge for Daily Imbalances times the recorded imbalance greater than ±10% of the delivered volume of gas for each daily occurrence. The Utilization Charge for Daily Imbalances is the sum of the following:

Daily Demand Charge:	\$0.2607 per Mcf
Daily Storage Charge:	<u>0.1200</u>
Utilization Charge for Daily Imbalances:	\$0.3807 per Mcf

Note: The Daily Demand Charge may change with each filing of the GSCC.

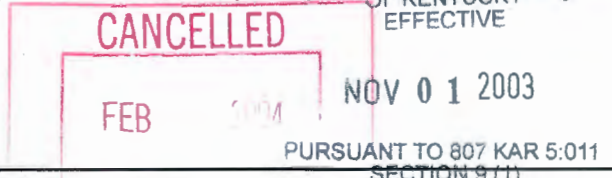
These charges are in addition to any other charges set forth herein. The Utilization Charge for Daily Imbalances will not be applied to daily imbalances which do not exceed ±10% of the delivered volume. The Company shall not have an obligation to provide balancing service for any volumes of gas hereunder. The Utilization Charge for Daily Imbalances shall not apply to Reserved Balance Volumes contracted for under Standard Rider RBS Reserved Balancing Service.

OPERATIONAL FLOW ORDERS

Company shall have the right to issue an Operational Flow Order ("OFO") which will require actions by Customer to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system required to maintain system reliability. Customer shall be responsible for complying with the directives contained in the OFO.

Upon issuance of an OFO, Company will direct Customer to comply with one of the following conditions: (a) Customer must take delivery of an amount of natural gas from Company that is no more than the daily amount being delivered by the Pipeline Transporter to Company for Customer; or (b) Customer must take delivery of an amount of natural gas from Company that is no less than the daily amount being delivered by the Pipeline Transporter to Company for Customer. Provision of oral notice by telephone to Customer shall be deemed as proper notice of an OFO. Customer shall respond to an OFO by either adjusting its deliveries to Company's system or its consumption at its facility.

All volumes taken by Customer in excess of volumes delivered by Pipeline Transporter to Company for Customer in violation of the above "condition (a)" OFO shall constitute an unauthorized receipt by Customer from Company. All volumes taken by Customer less than volumes delivered by Pipeline Transporter to Company for Customer in violation of "condition (b)" OFO shall constitute an unauthorized delivery by Customer to Company. Customer shall be charged a per Mcf charge equal to \$15.00 plus the mid-point price posted in Gas Daily



 PUBLIC SERVICE COMMISSION OF KENTUCKY

Date of Issue: October 31, 2003
Canceling Twelfth Revision of
Original Sheet No. 10-C
Issued July 24, 2003

Issued By

Michael S. Beer

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: November 1, 2003

BY *Thomas L. Dorn*
EXECUTIVE DIRECTOR

STANDARD RATE SCHEDULE

RBS

Reserved Balancing Service

APPLICABLE

In all territory served.

AVAILABILITY

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT."

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

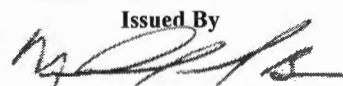
Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 6.3000 per Mcf	R
Monthly Balancing Charges:	<u>3.6500</u>	
Total:	\$ 9.9500 per Mcf	R

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed ±10% of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from

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Canceling Thirteenth Revision of
Original Sheet No. 10-F
Issued October 31, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: February 1, 2004
PURSUANT TO 807 KAR 5.011
SECTION 9 (1)
BY 
EXECUTIVE DIRECTOR

FEB 01 2004
2004

STANDARD RATE SCHEDULE

RBS

Reserved Balancing Service

APPLICABLE

In all territory served.

AVAILABILITY

Available to customers served under the Firm Transportation Service (Non-Standby) Rate Schedule "Rate FT."

Customers electing to transfer from a higher priority of sales service or standby service shall notify Company prior to April 30 of each year in order to begin receiving service hereunder November 1 of that year. At the time of notification, the Customer shall nominate a level of Reserved Balancing Service to balance any differences between the volume of gas delivered by the Customer to the Receipt Point and the volume of gas taken by Customer at the Delivery Receipt Point for the following 12 month period beginning November 1 through October 31. The nominated level of Reserved Balancing Service will be mutually agreed upon by both Company and Customer.

CHARACTER OF SERVICE

This service is used to balance the daily mismatches between the volumes delivered to Company's Receipt Point by Customer and the volumes utilized by the Customer at the Delivery Point. Customer shall contract for a volume of balancing service (in Mcf) to be provided by Company on any given day. This volume shall be the "Reserved Balance Volume" and will be defined in the Contract between Company and Customer.

RATE

In addition to any and all charges billed directly to Company by other parties related to the transportation of customer-owned gas and any other charges applicable under Rate FT, the following charges shall apply:

Applicable to the Reserved Balance Volume:

Monthly Demand Charges:	\$ 7.9300 per Mcf
Monthly Balancing Charges:	3.6500
Total:	\$11.5800 per Mcf

Note: The "Monthly Demand Charge" may change with each filing of the GSCC.

The Utilization Charge for Daily Imbalances contained in Rate FT will be applied to daily imbalances that exceed ±10% of the delivered volume after being adjusted for the Reserved Balance Volume contracted for under this rider. The application of the Utilization Charge for Daily Imbalances will be determined by, first, taking the difference between the customer's metered usage and its delivered volumes stated as a positive number. Second, the sum of ten percent of the delivered volumes plus the Reserved Balance Volume is subtracted from

Public Service Commission
Commonwealth of Kentucky
Effective
NOV 01 2003
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FEB

Date of Issue: October 31, 2003
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Issued By

Michael S. Beer, Vice President
Louisville, Kentucky
BY 
EXECUTIVE DIRECTOR

PURSUANT TO 807 KAR 5.011
SECTION 5.11
Date Effective: November 1, 2003

DSMRM

Demand-Side Management Cost Recovery Mechanism (Continued)

Applicable to: Residential Gas Service Rate RGS, Firm Commercial Gas Service Rate CGS, Firm Industrial Gas Service Rate IGS, Seasonal Off-Peak Gas Rate IGS, and Rate for Uncommitted Gas Service Rate G-7, Rate TS, Rate FT, and Summer Air Conditioning Rider.

As used herein, the term "commercial" applies to any activity engaged primarily in the sale of goods or services including institutions and local, state and federal governmental agencies for uses other than those involving manufacturing.

As used herein, the term "industrial" applies to any activity engaged primarily in a process or processes which create or change raw or unfinished materials into another form or product.

DSM Cost Recovery Component (DSMRC):

Residential Customers Served Under Residential Rate RGS and Summer Air Conditioning Rider

Energy Charge

DSM Cost Recovery Component (DCR):	00.418 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.043 ¢/Ccf
DSM Incentive (DSMI):	00.025 ¢/Ccf
DSM Balance Adjustment (DBA):	(00.121) ¢/Ccf
DSMRC Rate RGS:	00.365 ¢/Ccf

R

Commercial Customers Served Under Commercial Gas Service Rate CGS,G-6, G-7, Rate TS, Rate FT, and Summer Air Conditioning Rider

DSM Cost Recovery Component (DCR):	00.006 ¢/Ccf
DSM Revenues from Lost Sales (DRLS):	00.001 ¢/Ccf
DSM Incentive (DSMI):	00.000 ¢/Ccf
DSM Balance Adjustment (DBA):	00.177 ¢/Ccf
DSMRC Rate CGS:	00.184 ¢/Ccf

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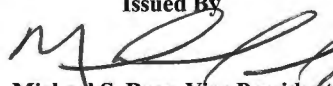
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OF KENTUCKY
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APR 03 2003

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

BY Charles L. Dorn
EXECUTIVE DIRECTOR

Date of Issue: April 8, 2003
Canceling Fourth Revision of
Original Sheet No. 11-D
Issued November 22, 2002

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

Date Effective: With Bills Rendered
On and After
April 3, 2003

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

APPLICABLE TO

All gas sold.

GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost	65.281¢
Gas Cost Actual Adjustment (GCAA)	6.772
Gas Cost Balance Adjustment (GCBA)	(0.032)

Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:

None Applicable

Performance-Based Rate Recovery Component (PBRRC) 1.084

Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC) 73.105¢

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OF KENTUCKY
EFFECTIVE

FEB 01 2004


PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

BY Thomas H. Dornay
EXECUTIVE DIRECTOR

CANCELLED
2004

Date Effective: February 1, 2004

Date of Issue: January 30, 2004
Canceling Sixteenth Revision of
Original Sheet No. 12
Issued October 31, 2003

Issued By

Michael S. Beer, Vice President
Louisville, Kentucky

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

APPLICABLE TO

All gas sold.

GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost	63.665¢
Gas Cost Actual Adjustment (GCAA)	8.407
Gas Cost Balance Adjustment (GCBA)	(0.023)

Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:

None Applicable

Performance-Based Rate Recovery Component (PBRRC) 0.405

Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC) 72.454¢

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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FEB 2004

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PURSUANT TO 807 KAR. 5:011
SECTION 9 (1)

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Date of Issue: October 31, 2003
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Original Sheet No. 12
Issued July 24, 2003

Issued By

BY  Date Effective: November 1, 2003
EXECUTIVE DIRECTOR

Michael S. Beer, Vice President
Louisville, Kentucky

RECEIVED

FEB 11 1992



P.S.C.
RESEARCH DIVISION

Louisville Gas and Electric Company
220 West Main Street
P.O. Box 32010
Louisville, Kentucky 40232

RECEIVED

FEB 10 1992

PUBLIC SERVICE
COMMISSION

February 6, 1992

Public Service Commission of Kentucky
P. O. Box 615
730 Schenkel Lane
Frankfort, Kentucky 40601

Gentlemen:

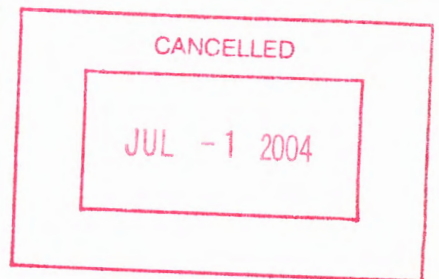
Enclosed is a certified copy of the By-Laws of Louisville Gas and Electric Company as amended by the Board of Directors on February 5, 1992. The change in the By-Laws was to amend Article VI and is the only change in the By-Laws since the amendment of December 4, 1991.

Sincerely,

Susan M. Jenkins
Acting Secretary

lpr

Enclosure



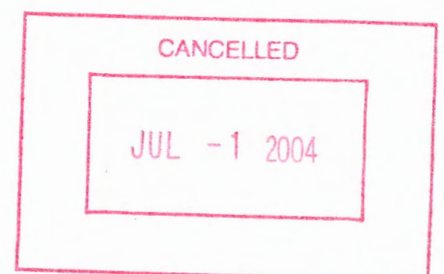
CERTIFICATION

I, Susan M. Jenkins, do hereby certify that I am the acting Secretary of Louisville Gas and Electric Company, a corporation duly organized and existing under and by virtue of the laws of the Commonwealth of Kentucky; that as such Secretary I have access to all original records of said corporation; that I am one of the duly authorized and proper officers of said corporation to make certified copies of its records on its behalf; and I do hereby further certify that the attached is a true and correct copy of the By-Laws of the corporation as last amended by the Board of Directors on February 5, 1992, and that such By-Laws remain in full force and effect.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the corporation this 6th day of February, 1992.

Susan M. Jenkins

Susan M. Jenkins
Secretary



LOUISVILLE GAS AND ELECTRIC COMPANY

By-Laws Adopted November 7, 1956
As Amended Through February 5, 1992

Article I

Meetings of Stockholders

Section 1. The Annual Meeting of the stockholders of the Company shall be held at a location in or out of Kentucky at a time and date to be fixed by the Board of Directors each year. Notice of the annual meeting shall be mailed to each stockholder entitled to notice at least ten (10) days before the Annual Meeting.

Section 2. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of stockholders may be called only by the President of the Company or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. For purposes of these By-Laws, the phrase "Company's Amended Articles of Incorporation" shall mean the Amended Articles of Incorporation of Louisville Gas and Electric Company as in effect on February 1, 1987, and as thereafter amended from time to time.

Section 3. A stockholder may vote in person or by proxy, filed with the Secretary of the Company before or immediately upon the convening of the meeting.

Section 4. Any action required or permitted to be taken by the stockholders of the Company at a meeting of such holders may be taken without such a meeting only if a consent in writing setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof.

Section 5. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly be requested to be brought before the meeting by a stockholder. For business to be properly requested to be brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the

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JUL 1 1994

Company. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company, not less than 90 days prior to the meeting; provided, however, that in the event that the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered to the Secretary of the Company not later than the close of business on the tenth day following the day on which such announcement of the date of the meeting was communicated to stockholders. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Company's books, of the stockholder proposing such business, (c) the class and number of shares of the Company which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 5. The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 5, and if he should so determine, he shall so declare to the meeting that any such business not properly brought before the meeting shall not be transacted.

Article II

Board of Directors

Section 1. (a) The number of directors of the Company shall be fixed from time to time by the Board of Directors, but shall be no fewer than nine (9) and no more than 15. The Board of Directors may elect one of its members as Chairman of the Board. Regular meetings of the Board of Directors shall be held at such time and place as may be fixed by the Board of Directors. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as determined by the Board of Directors, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1989, and another

class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1990, with each member of each class to hold office until his successor is elected and qualified. At each annual meeting of the stockholders of the Company and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

(b) Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in Section 2 of Article IV of these By-Laws.

(c) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(d) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally (as defined in Article Eighth of the Company's Amended Articles of Incorporation), voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph (d), if at any time any stockholders of the Company have cumulative voting rights with respect to the election of directors and less than the

entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part.

Section 2. Regular Meetings shall be held at such time and place as may be fixed by the Board of Directors.

Section 3. Special Meetings of the Board of Directors shall be held at the call of the Chairman or of the President, or, in their absence, of a Vice President, or at the request in writing of not less than three (3) members of the Board.

Section 4. Regular and Special Meetings may be held outside of the State of Kentucky.

Section 5. Notices of Regular and Special Meetings shall be sent to each director at least one (1) day prior to the meeting.

Section 6. The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by law or by the Company's Amended Articles of Incorporation. Unless otherwise provided by law, at each meeting of the Board of Directors, the presence of a majority of the total number of directors shall constitute a quorum for the transaction of business. Except as provided in Section 1(c) of this Article II, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In case at any meeting of the Board of Directors a quorum shall not be present, the members of the Board of Directors present may by majority vote adjourn the meeting from time to time until a quorum shall attend.

Section 7. Directors may receive such fees or compensation for their services as may be authorized by resolution of the Board of Directors. In addition, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting.

Section 8. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more other committees each of which, to the extent provided in such resolution, shall have and exercise all the authority of the Board of Directors, but no such committee shall have the authority to take action that under Kentucky law can only be taken by a board of directors.

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Article III

Officers

Section 1. The officers of the Company shall be a Chief Executive Officer, President, Chief Financial Officer, one or more Vice Presidents, Secretary, Treasurer, Controller and such other officers (including, if so directed by a resolution of the Board of Directors, Chairman of the Board) as the Board may from time to time elect or appoint. Any two of the offices may be combined in one person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity. Officers are to be elected by the Board of Directors of the Company at the first meeting of the Board following the annual meeting of stockholders and, unless otherwise specified by the Board of Directors, shall be elected to hold office for one year or until their successors are elected and qualified. Any vacancy shall be filled by the Board of Directors, provided that the Chief Executive Officer may fill such a vacancy until the Board of Directors shall elect a successor. Except as provided below, officers shall perform those duties usually incident to the office or as otherwise required by the Board of Directors, the Chief Executive Officer, or the officer to whom they report. An officer may be removed with or without cause and at any time by the Board of Directors or by the Chief Executive Officer.

Chief Executive Officer

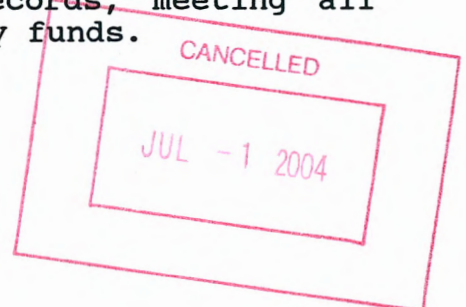
Section 2. The Chief Executive Officer of the Company shall have full charge of all of the affairs of the Company, shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, at meetings of the Board of Directors.

President

Section 3. The President shall exercise the functions of the Chief Executive Officer during the absence or disability of the Chief Executive Officer.

Chief Financial Officer

Section 4. The Chief Financial Officer of the Company shall have full charge of all of the financial affairs of the Company, including maintaining accurate books and records, meeting all reporting requirements and controlling Company funds.



Vice Presidents

Section 5. The Vice President or Vice Presidents may be designated as Vice President, Senior Vice President or Executive Vice President, as the Board of Directors or Chief Executive Officer may determine.

Secretary

Section 6. The Secretary shall be present at and record the proceedings of all meetings of the Board of Directors and of the stockholders, give notices of meetings of Directors and stockholders, have custody of the seal of the Company and affix it to any instrument requiring the same, and shall have the power to sign certificates for shares of stock of the Company.

Treasurer

Section 7. The Treasurer shall have charge of all receipts and disbursements of the Company and be custodian of the Company's funds.

Controller

Section 8. The Controller shall have charge of the accounting records of the Company.

Chairman of the Board

Section 9. In the event the Board of Directors elects a Chairman of the Board and designates by resolution that the Chairman of the Board shall be an officer of the corporation, the Chairman of the Board shall preside at all meetings of the Board of Directors and serve the corporation in an advisory capacity.

Article IV

Capital Stock Certificates and Director Nominations

Section 1. The Board of Directors shall approve all stock certificates as to form. The certificates for the various classes of stock, issued by the Company, shall be printed or engraved with the facsimile signatures of the President and Secretary and a facsimile seal of the Company. The Board of Directors shall appoint

transfer agents to issue and transfer certificates of stock, and registrars to register said certificates.

Section 2. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations for the election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any stockholder entitled to vote in the election of directors generally. However, any stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as director or directors at a stockholders' meeting only if written notice of such stockholder's intent to make such nomination or nominations has been given either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Company not later than 90 days in advance of such meeting; provided, however, that in the event the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered not later than the close of business on the tenth day following the date on which notice of such meeting was first communicated to stockholders. Each such notice shall set forth (a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the stockholder is a holder of record of stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the Company if so elected. The Chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

Article V

Lost Stock Certificates

The Board of Directors may, in its discretion, direct that a new certificate or certificates of stock be issued in place of any

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certificate or certificates of stock theretofore issued by the Company, alleged to have been stolen, lost or destroyed, and the Board of Directors when authorizing the issuance of such new certificate or certificates may, in its discretion, and as a condition precedent thereto, require the owner of such stolen, lost or destroyed certificate or certificates or the legal representatives of such owner, to give to the Company, its transfer agent or agents, its registrar or registrars, as may be authorized or required to sign and countersign such new certificate or certificates, a corporate surety bond in such sum as it may direct as indemnity against any claim or claims that may be made against the Company, its transfer agent or agents, its registrar or registrars, for or in respect to the shares of stock represented by the certificate or certificates alleged to have been stolen, lost or destroyed.

Article VI

Dividends on Preferred Stock

Dividends upon the 5% Cumulative Preferred Stock, \$25 Par value, if declared, shall be payable on January 15, April 15, July 15 and October 15 of each year. If the date herein designated for the payment of any dividend shall, in any year, fall upon a legal holiday, then the dividend payable on such date shall be paid on the next day not a legal holiday.

Dividends in respect of each share of 7.45% Cumulative Preferred Stock, par value \$25 per share, of the Company shall be payable on July 16, 1973, when and as declared by the Board of Directors of the Company, to holders of record on June 29, 1973, and will accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$8.90 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 16, 1978, when and as declared by the Board of Directors of the Company, to holders of record on September 29, 1978, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

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JUL -1 2004

Dividends in respect of each share of Preferred Stock, Auction Series A (without par value), of the Company shall be payable when and as declared by the Board of Directors of the Company, on the dates and in the manner set forth in the Amendment to the Articles of Incorporation of the Company setting forth the terms of such series.

Article VII

Finance

Section 1. The Board of Directors shall designate the bank or banks to be used as depositories of the funds of the Company and shall designate the officers and employees of the Company who may sign and countersign checks drawn against the various accounts of the Company. The Board of Directors may authorize the use of facsimile signatures on checks drawn against certain bank accounts of the Company.

Section 2. Notes shall be signed by the President and either a Vice President or the Treasurer. In the absence of the President, notes shall be signed by two Vice Presidents, or a Vice President and the Treasurer.

Article VIII

Seal

The seal of this Company shall be in the form of a circular disk, bearing the following information:

(Louisville Gas and Electric Company)
(Incorporated Under the Laws of)
(Kentucky)
(Seal)
(1913)

Article IX

Amendments

Subject to the provisions of the Company's Amended Articles of Incorporation, these By-Laws may be amended or repealed at any regular meeting of the stockholders (or at any special meeting thereof duly called for that purpose) by the holders of at least a

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majority of the voting power of the shares represented and entitled to vote thereon at such meeting at which a quorum is present; provided that in the notice of such special meeting notice of such purpose shall be given. Subject to the laws of the State of Kentucky, the Company's Amended Articles of Incorporation and these By-Laws, the Board of Directors may by majority vote of those present at any meeting at which a quorum is present amend these By-Laws, or adopt such other By-Laws as in their judgment may be advisable for the regulation of the conduct of the affairs of the Company.

Article X

Indemnification

Section 1. Right to Indemnification. Each person who was or is a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Director"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Kentucky Business Corporation Act, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Director in connection therewith and such indemnification shall continue as to an Indemnified Director who has ceased to be a director or officer and shall inure to the benefit of the Indemnified Director's heirs, executors and administrators. Each person who was or is an officer of the Company and not a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding, by reason of the fact that he or she is or was an officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Officer"), whether the basis of such proceeding is alleged action in an official capacity as an

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officer or in any other capacity while serving as an officer, shall be indemnified and held harmless by the Company against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Officer to the same extent and under the same conditions that the Company must indemnify an Indemnified Director pursuant to the immediately preceding sentence and to such further extent as is not contrary to public policy and such indemnification shall continue as to an Indemnified Officer who has ceased to be an officer and shall inure to the benefit of the Indemnified Officer's heirs, executors and administrators. Notwithstanding the foregoing and except as provided in Section 2 of the this Article X with respect to proceedings to enforce rights to indemnification, the Company shall indemnify any Indemnified Director or Indemnified Officer in connection with a proceeding (or part thereof) initiated by such Indemnified Director or Indemnified Officer only if such proceeding (or part thereof) was authorized by the Board of Directors of the Company. As hereinafter used in this Article X, the term "indemnitee" means any Indemnified Director or Indemnified Officer. Any person who is or was a director or officer of a subsidiary of the Company shall be deemed to be serving in such capacity at the request of the Company for purposes of this Article X. The right to indemnification conferred in this Article shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Kentucky Business Corporation Act requires, an advancement of expenses incurred by an indemnitee who at the time of receiving such advance is a director of the Company shall be made only upon: (i) delivery to the Company of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise; (ii) delivery to the Company of a written affirmation of the indemnitee's good faith belief that he has met the standard of conduct that makes indemnification by the Company permissible under the Kentucky Business Corporation Act; and (iii) a determination that the facts then known to those making the determination would not preclude indemnification under the Kentucky Business Corporation Act. The right to indemnification and advancement of expenses incurred in this Section 1 shall be a contract right.

Section 2. Right of Indemnitee to Bring Suit. If a claim under Section 1 of this Article X is not paid in full by the Company within sixty days after a written claim has been received by the Company (except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty

days), the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part to any such suit or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee also shall be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (other than a suit to enforce a right to an advancement of expenses brought by an indemnitee who will not be a director of the Company at the time such advance is made) it shall be a defense that, and in (ii) any suit by the Company to recover an advancement of expenses pursuant to the terms of an undertaking the Company shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the standard of conduct that makes it permissible hereunder or under the Kentucky Business Corporation Act (the "applicable standard of conduct") for the Company to indemnify the indemnitee for the amount claimed. Neither the failure of the Company (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including its Board of Directors, independent legal counsel or its stockholders) that the indemnitee has not met the applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article X or otherwise shall be on the Company.

Section 3. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article X shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Company's Articles of Incorporation, these By-Laws, any agreement, any vote of stockholders or disinterested directors or otherwise.

Section 4. Insurance. The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kentucky Business Corporation Act.

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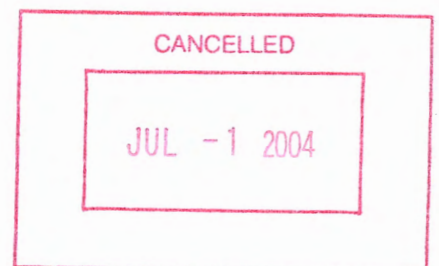
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Section 5. Indemnification of Employees and Agents.

The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Company and to any person serving at the request of the Company as an agent or employee of another corporation or of a partnership, joint venture, trust or other enterprise to the fullest extent of the provisions of this Article X with respect to the indemnification and advancement of expenses of directors and officers of the Company.

Section 6. Repeal or Modification. Any repeal or modification of any provision of this Article X shall not adversely affect any rights to indemnification and to advancement of expenses that any person may have at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Section 7. Severability. In case any one or more of the provisions of this Article X, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Article X, and any other application thereof, shall not in any way be affected or impaired thereby.





Louisville Gas and Electric Company
220 West Main Street
P.O. Box 32010
Louisville, Kentucky 40232

December 31, 1991

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JAN 2 1992

PUBLIC SERVICE
COMMISSION

Public Service Commission of Kentucky
P. O. Box 615
730 Schenkel Lane
Frankfort, Kentucky 40601

RECEIVED

JAN 2 1992

P.S.C.
RESEARCH DIVISION

Gentlemen:

Enclosed is a certified copy of the By-Laws of Louisville Gas and Electric Company as amended by the Board of Directors on December 4, 1991. The change in the By-Laws was to amend Article III and is the only change in the By-Laws since the amendment of February 26, 1990.

Sincerely,

Susan M. Jenkins
Acting Secretary

lpr

Enclosure

CANCELLED

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P.S.C.
RESEARCH DIVISION

RECEIVED

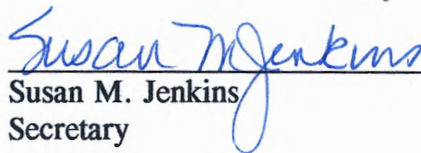
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PUBLIC SERVICE
COMMISSION

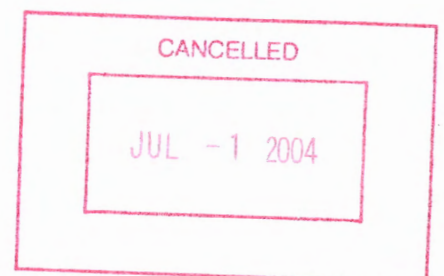
CERTIFICATION

I, Susan M. Jenkins, do hereby certify that I am the acting Secretary of the Louisville Gas and Electric Company, a corporation duly organized and existing under and by virtue of the laws of the Commonwealth of Kentucky; that as such Secretary I have access to all original records of said corporation; that I am one of the duly authorized and proper officers of said corporation to make certified copies of its records on its behalf; and I do hereby further certify that the attached is a true and correct copy of the Bylaws of the corporation as last amended by the Board of Directors on December 4, 1991, and that such Bylaws remain in full force and effect.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the corporation this 17th day of December, 1991.



Susan M. Jenkins
Secretary



LOUISVILLE GAS AND ELECTRIC COMPANY

By-Laws Adopted November 7, 1956
As Amended Through December 4, 1991

Article I

Meetings of Stockholders

Section 1. The Annual Meeting of the stockholders of the Company shall be held at a location in or out of Kentucky at a time and date to be fixed by the Board of Directors each year. Notice of the annual meeting shall be mailed to each stockholder entitled to notice at least ten (10) days before the Annual Meeting.

Section 2. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of stockholders may be called only by the President of the Company or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. For purposes of these By-Laws, the phrase "Company's Amended Articles of Incorporation" shall mean the Amended Articles of Incorporation of Louisville Gas and Electric Company as in effect on February 1, 1987, and as thereafter amended from time to time.

Section 3. A stockholder may vote in person or by proxy, filed with the Secretary of the Company before or immediately upon the convening of the meeting.

Section 4. Any action required or permitted to be taken by the stockholders of the Company at a meeting of such holders may be taken without such a meeting only if a consent in writing setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof.

Section 5. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly be requested to be brought before the meeting by a stockholder. For business to be properly requested to be brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Company. To be timely, a stockholder's notice must be

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JUN 1 1994

delivered to or mailed and received at the principal executive offices of the Company, not less than 90 days prior to the meeting; provided, however, that in the event that the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered to the Secretary of the Company not later than the close of business on the tenth day following the day on which such announcement of the date of the meeting was communicated to stockholders. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Company's books, of the stockholder proposing such business, (c) the class and number of shares of the Company which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 5. The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 5, and if he should so determine, he shall so declare to the meeting that any such business not properly brought before the meeting shall not be transacted.

Article II

Board of Directors

Section 1. (a) The number of directors of the Company shall be fixed from time to time by the Board of Directors, but shall be no fewer than nine (9) and no more than 15. The Board of Directors may elect one of its members as Chairman of the Board. Regular meetings of the Board of Directors shall be held at such time and place as may be fixed by the Board of Directors. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as determined by the Board of Directors, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1989, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1990, with each member of

each class to hold office until his successor is elected and qualified. At each annual meeting of the stockholders of the Company and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

(b) Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in Section 2 of Article IV of these By-Laws.

(c) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(d) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally (as defined in Article Eighth of the Company's Amended Articles of Incorporation), voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph (d), if at any time any stockholders of the Company have cumulative voting rights with respect to the election of directors and less than the entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal

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would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part.

Section 2. Regular Meetings shall be held at such time and place as may be fixed by the Board of Directors.

Section 3. Special Meetings of the Board of Directors shall be held at the call of the Chairman or of the President, or, in their absence, of a Vice President, or at the request in writing of not less than three (3) members of the Board.

Section 4. Regular and Special Meetings may be held outside of the State of Kentucky.

Section 5. Notices of Regular and Special Meetings shall be sent to each director at least one (1) day prior to the meeting.

Section 6. The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by law or by the Company's Amended Articles of Incorporation. Unless otherwise provided by law, at each meeting of the Board of Directors, the presence of a majority of the total number of directors shall constitute a quorum for the transaction of business. Except as provided in Section 1(c) of this Article II, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In case at any meeting of the Board of Directors a quorum shall not be present, the members of the Board of Directors present may by majority vote adjourn the meeting from time to time until a quorum shall attend.

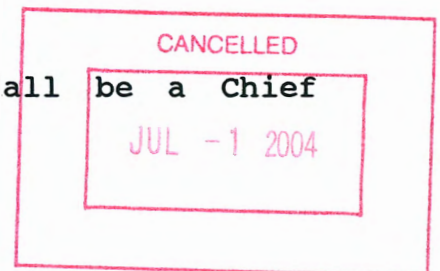
Section 7. Directors may receive such fees or compensation for their services as may be authorized by resolution of the Board of Directors. In addition, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting.

Section 8. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more other committees each of which, to the extent provided in such resolution, shall have and exercise all the authority of the Board of Directors, but no such committee shall have the authority to take action that under Kentucky law can only be taken by a board of directors.

Article III

Officers

Section 1. The officers of the Company shall be a Chief



Executive Officer, President, Chief Financial Officer, one or more Vice Presidents, Secretary, Treasurer, Controller and such other officers (including, if so directed by a resolution of the Board of Directors, Chairman of the Board) as the Board may from time to time elect or appoint. Any two of the offices may be combined in one person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity. Officers are to be elected by the Board of Directors of the Company at the first meeting of the Board following the annual meeting of stockholders and, unless otherwise specified by the Board of Directors, shall be elected to hold office for one year or until their successors are elected and qualified. Any vacancy shall be filled by the Board of Directors, provided that the Chief Executive Officer may fill such a vacancy until the Board of Directors shall elect a successor. Except as provided below, officers shall perform those duties usually incident to the office or as otherwise required by the Board of Directors, the Chief Executive Officer, or the officer to whom they report. An officer may be removed with or without cause and at any time by the Board of Directors or by the Chief Executive Officer.

Chief Executive Officer

Section 2. The Chief Executive Officer of the Company shall have full charge of all of the affairs of the Company, shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, at meetings of the Board of Directors.

President

Section 3. The President shall exercise the functions of the Chief Executive Officer during the absence or disability of the Chief Executive Officer.

Chief Financial Officer

Section 4. The Chief Financial Officer of the Company shall have full charge of all of the financial affairs of the Company, including maintaining accurate books and records, meeting all reporting requirements and controlling Company funds.

Vice Presidents

Section 5. The Vice President or Vice Presidents may be designated as Vice President, Senior Vice President or Executive Vice President, as the Board of Directors or Chief Executive Officer may determine.

Secretary

Section 6. The Secretary shall be present at and record the proceedings of all meetings of the Board of Directors and of the stockholders, give notices of meetings of Directors and stockholders, have custody of the seal of the Company and affix it to any instrument requiring the same, and shall have the power to sign certificates for shares of stock of the Company.

Treasurer

Section 7. The Treasurer shall have charge of all receipts and disbursements of the Company and be custodian of the Company's funds.

Controller

Section 8. The Controller shall have charge of the accounting records of the Company.

Chairman of the Board

Section 9. In the event the Board of Directors elects a Chairman of the Board and designates by resolution that the Chairman of the Board shall be an officer of the corporation, the Chairman of the Board shall preside at all meetings of the Board of Directors and serve the corporation in an advisory capacity.

Article IV

Capital Stock Certificates and Director Nominations

Section 1. The Board of Directors shall approve all stock certificates as to form. The certificates for the various classes of stock, issued by the Company, shall be printed or engraved with the facsimile signatures of the President and Secretary and a facsimile seal of the Company. The Board of Directors shall appoint transfer agents to issue and transfer certificates of stock, and registrars to register said certificates.

Section 2. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations for the

election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any stockholder entitled to vote in the election of directors generally. However, any stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as director or directors at a stockholders' meeting only if written notice of such stockholder's intent to make such nomination or nominations has been given either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Company not later than 90 days in advance of such meeting; provided, however, that in the event the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered not later than the close of business on the tenth day following the date on which notice of such meeting was first communicated to stockholders. Each such notice shall set forth (a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the stockholder is a holder of record of stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the Company if so elected. The Chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

Article V

Lost Stock Certificates

The Board of Directors may, in its discretion, direct that a new certificate or certificates of stock be issued in place of any certificate or certificates of stock theretofore issued by the Company, alleged to have been stolen, lost or destroyed, and the Board of Directors when authorizing the issuance of such new certificate or certificates may, in its discretion, and as a condition precedent thereto, require the owner of such stolen, lost or destroyed certificate or certificates or the legal representatives of such owner, to give to the Company, its transfer agent or agents, its registrar or registrars, as may be authorized or required to sign and countersign such new certificate or certificates, a corporate surety bond in such sum as it may direct

as indemnity against any claim or claims that may be made against the Company, its transfer agent or agents, its registrar or registrars, for or in respect to the shares of stock represented by the certificate or certificates alleged to have been stolen, lost or destroyed.

Article VI

Dividends on Preferred Stock

Dividends upon the 5% Cumulative Preferred Stock, \$25 Par value, if declared, shall be payable on January 15, April 15, July 15 and October 15 of each year. If the date herein designated for the payment of any dividend shall, in any year, fall upon a legal holiday, then the dividend payable on such date shall be paid on the next day not a legal holiday.

Dividends in respect of each share of 7.45% Cumulative Preferred Stock, par value \$25 per share, of the Company shall be payable on July 16, 1973, when and as declared by the Board of Directors of the Company, to holders of record on June 29, 1973, and will accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$8.72 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 15, 1976, when and as declared by the Board of Directors of the Company, to holders of record on September 30, 1976, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$8.90 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 16, 1978, when and as declared by the Board of Directors of the Company, to holders of record on September 29, 1978, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$9.54

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Cumulative

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Preferred Stock (without par value) of the Company shall be payable on January 15, 1980, when and as declared by the Board of Directors of the Company, to holders of record on December 31, 1979, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Article VII

Finance

Section 1. The Board of Directors shall designate the bank or banks to be used as depositories of the funds of the Company and shall designate the officers and employees of the Company who may sign and countersign checks drawn against the various accounts of the Company. The Board of Directors may authorize the use of facsimile signatures on checks drawn against certain bank accounts of the Company.

Section 2. Notes shall be signed by the President and either a Vice President or the Treasurer. In the absence of the President, notes shall be signed by two Vice Presidents, or a Vice President and the Treasurer.

Article VIII

Seal

The seal of this Company shall be in the form of a circular disk, bearing the following information:

(Louisville Gas and Electric Company)
(Incorporated Under the Laws of)
(Kentucky)
(Seal)
(1913)

Article IX

Amendments

Subject to the provisions of the Company's Amended Articles of Incorporation, these By-Laws may be amended or repealed at any

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regular meeting of the stockholders (or at any special meeting thereof duly called for that purpose) by the holders of at least a majority of the voting power of the shares represented and entitled to vote thereon at such meeting at which a quorum is present; provided that in the notice of such special meeting notice of such purpose shall be given. Subject to the laws of the State of Kentucky, the Company's Amended Articles of Incorporation and these By-Laws, the Board of Directors may by majority vote of those present at any meeting at which a quorum is present amend these By-Laws, or adopt such other By-Laws as in their judgment may be advisable for the regulation of the conduct of the affairs of the Company.

Article X

Indemnification

Section 1. Right to Indemnification. Each person who was or is a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Director"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Kentucky Business Corporation Act, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Director in connection therewith and such indemnification shall continue as to an Indemnified Director who has ceased to be a director or officer and shall inure to the benefit of the Indemnified Director's heirs, executors and administrators. Each person who was or is an officer of the Company and not a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding, by reason of the fact that he or she is or was an officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Officer"), whether the basis of

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such proceeding is alleged action in an official capacity as an officer or in any other capacity while serving as an officer, shall be indemnified and held harmless by the Company against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Officer to the same extent and under the same conditions that the Company must indemnify an Indemnified Director pursuant to the immediately preceding sentence and to such further extent as is not contrary to public policy and such indemnification shall continue as to an Indemnified Officer who has ceased to be an officer and shall inure to the benefit of the Indemnified Officer's heirs, executors and administrators. Notwithstanding the foregoing and except as provided in Section 2 of this Article X with respect to proceedings to enforce rights to indemnification, the Company shall indemnify any Indemnified Director or Indemnified Officer in connection with a proceeding (or part thereof) initiated by such Indemnified Director or Indemnified Officer only if such proceeding (or part thereof) was authorized by the Board of Directors of the Company. As hereinafter used in this Article X, the term "indemnitee" means any Indemnified Director or Indemnified Officer. Any person who is or was a director or officer of a subsidiary of the Company shall be deemed to be serving in such capacity at the request of the Company for purposes of this Article X. The right to indemnification conferred in this Article shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Kentucky Business Corporation Act requires, an advancement of expenses incurred by an indemnitee who at the time of receiving such advance is a director of the Company shall be made only upon: (i) delivery to the Company of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise; (ii) delivery to the Company of a written affirmation of the indemnitee's good faith belief that he has met the standard of conduct that makes indemnification by the Company permissible under the Kentucky Business Corporation Act; and (iii) a determination that the facts then known to those making the determination would not preclude indemnification under the Kentucky Business Corporation Act. The right to indemnification and advancement of expenses incurred in this Section 1 shall be a contract right.

Section 2. Right of Indemnitee to Bring Suit. If a claim under Section 1 of this Article X is not paid in full by the Company within sixty days after a written claim has been received by the Company (except in the case of a claim for an advancement of

expenses, in which case the applicable period shall be twenty days), the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part to any such suit or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee also shall be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (other than a suit to enforce a right to an advancement of expenses brought by an indemnitee who will not be a director of the Company at the time such advance is made) it shall be a defense that, and in (ii) any suit by the Company to recover an advancement of expenses pursuant to the terms of an undertaking the Company shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the standard of conduct that makes it permissible hereunder or under the Kentucky Business Corporation Act (the "applicable standard of conduct") for the Company to indemnify the indemnitee for the amount claimed. Neither the failure of the Company (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including its Board of Directors, independent legal counsel or its stockholders) that the indemnitee has not met the applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article X or otherwise shall be on the Company.

Section 3. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article X shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Company's Articles of Incorporation, these By-Laws, any agreement, any vote of stockholders or disinterested directors or otherwise.

Section 4. Insurance. The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kentucky Business Corporation Act.

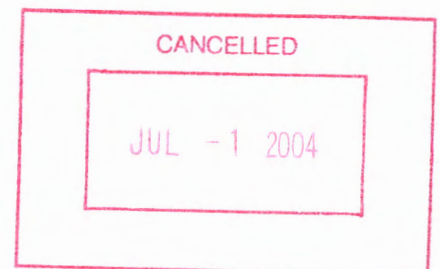
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Section 5. Indemnification of Employees and Agents.

The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Company and to any person serving at the request of the Company as an agent or employee of another corporation or of a partnership, joint venture, trust or other enterprise to the fullest extent of the provisions of this Article X with respect to the indemnification and advancement of expenses of directors and officers of the Company.

Section 6. Repeal or Modification. Any repeal or modification of any provision of this Article X shall not adversely affect any rights to indemnification and to advancement of expenses that any person may have at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Section 7. Severability. In case any one or more of the provisions of this Article X, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Article X, and any other application thereof, shall not in any way be affected or impaired thereby.



Christine A. Hansen
Vice President, General Counsel
and Corporate Secretary

Louisville Gas and Electric Co.
P.O. Box 32010
311 W. Chestnut Street
Louisville, Kentucky 40232
502-627-2224

March 9, 1990

FILED

MAR 9 1990

PUBLIC SERVICE
COMMISSION

Public Service Commission of Kentucky
P. O. Box 615
730 Schenkel Lane
Frankfort, Kentucky 40601

Gentlemen:

Enclosed is a certified copy of this Company's By-Laws as amended by the Board of Directors on February 26, 1990. The change in the By-Laws was to amend Section 1 of Article I.

This change in the By-Laws is the only change since the amendment effective as of January 1, 1990.

Sincerely,



Christine A. Hansen

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Enclosure

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RATES AND TARIFFS

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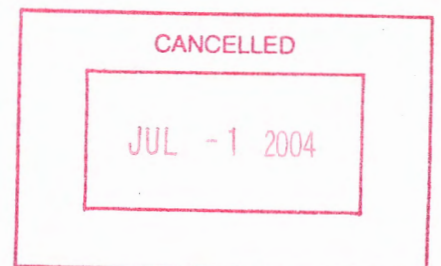
MAR 9 1990

PUBLIC SERVICE
COMMISSION

I, Christine A. Hansen, do hereby certify that I am Secretary of Louisville Gas and Electric Company, a corporation duly organized and existing under and by virtue of the laws of the State of Kentucky; that as such Secretary I have access to all original records of said corporation; that I am one of the duly authorized and proper officers of said corporation to make certified copies of its records in its behalf; and I do hereby further certify that the attached is a true and correct copy of the By-Laws, as amended by the Board of Directors on February 26, 1990, and that said By-Laws are still in full force and effect.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of said corporation this 9th day of March, 1990.


Secretary



LOUISVILLE GAS AND ELECTRIC COMPANY
(a Kentucky corporation)

By-Laws Adopted November 7, 1956
As Amended Through February 26, 1990

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MAR 9 1990

PUBLIC SERVICE
COMMISSION

Article I

Meetings of Stockholders

Section 1. The Annual Meeting of the stockholders of the Company shall be held at a location in or out of Kentucky at a time and date to be fixed by the Board of Directors each year. Notice of the annual meeting shall be mailed to each stockholder entitled to notice at least ten (10) days before the Annual Meeting.

Section 2. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of stockholders may be called only by the President of the Company or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. For purposes of these By-Laws, the phrase "Company's Amended Articles of Incorporation" shall mean the Amended Articles of Incorporation of Louisville Gas and Electric Company as in effect on February 1, 1987, and as thereafter amended from time to time.

Section 3. A stockholder may vote in person or by proxy, filed with the Secretary of the Company before or immediately upon the convening of the meeting.

Section 4. Any action required or permitted to be taken by the stockholders of the Company at a meeting of such holders may be taken without such a meeting **only** if a consent in writing setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof.

Section 5. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly be requested to be brought before the meeting by a stockholder. For business to be properly requested to be brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Company. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company, not less than 90 days prior to the meeting; provided, however, that in the event that the date of the meeting is not publicly announced by the

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Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered to the Secretary of the Company not later than the close of business on the tenth day following the day on which such announcement of the date of the meeting was communicated to stockholders. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Company's books, of the stockholder proposing such business, (c) the class and number of shares of the Company which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 5. The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 5, and if he should so determine, he shall so declare to the meeting that any such business not properly brought before the meeting shall not be transacted.

Article II

Board of Directors

Section 1. (a) The number of directors of the Company shall be fixed from time to time by the Board of Directors, but shall be no fewer than nine (9) and no more than 15. The Board of Directors may elect one of its members as Chairman of the Board. Regular meetings of the Board of Directors shall be held at such time and place as may be fixed by the Board of Directors. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as determined by the Board of Directors, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1989, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1990, with each member of each class to hold office until his successor is elected and qualified. At each annual meeting of the stockholders of the Company and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

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(b) Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in Section 2 of Article IV of these By-Laws.

(c) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(d) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally (as defined in Article Eighth of the Company's Amended Articles of Incorporation), voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph (d), if at any time any stockholders of the Company have cumulative voting rights with respect to the election of directors and less than the entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part.

Section 2. Regular Meetings shall be held at such time and place as may be fixed by the Board of Directors.

Section 3. Special Meetings of the Board of Directors shall be held at the call of the Chairman or of the President, or, in their absence, of a Vice President, or at the request in writing of not less than three (3) members of the Board.

Section 4. Regular and Special Meetings may be held outside of the State of Kentucky.

Section 5. Notices of Regular and Special Meetings shall be sent to each director at least one (1) day prior to the meeting.

Section 6. The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by law or by the Company's Amended Articles of Incorporation.

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otherwise provided by law, at each meeting of the Board of Directors, the presence of a majority of the total number of directors shall constitute a quorum for the transaction of business. Except as provided in Section 1(c) of this Article II, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In case at any meeting of the Board of Directors a quorum shall not be present, the members of the Board of Directors present may by majority vote adjourn the meeting from time to time until a quorum shall attend.

Section 7. Directors may receive such fees or compensation for their services as may be authorized by resolution of the Board of Directors. In addition, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting.

Section 8. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more other committees each of which, to the extent provided in such resolution, shall have and exercise all the authority of the Board of Directors, but no such committee shall have the authority to take action that under Kentucky law can only be taken by a board of directors.

Article III

Officers

Section 1. The officers of the corporation shall be a President, one or more Vice Presidents (one of whom may be Executive Vice President), a Secretary, a Treasurer, a Controller, an Internal Auditor, and such other officers (including, if so directed by a resolution of the Board of Directors, a Chairman of the Board) as the Board may from time to time elect or appoint. Any two of the offices, except that of the President and Internal Auditor, may be combined in one person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity. Officers are to be elected by the Board of Directors of the Company at the first meeting of the board following the Annual Stockholders' Meeting and, unless otherwise specified by the Board of Directors, shall be elected to hold office for one year or until their successors are elected and qualified. Any vacancies among the officers (including vacancies arising by the appointment of additional Vice Presidents or other officers) may be filled by the Board of Directors. The President and Vice Presidents shall, themselves, or through authority vested by them in other officers or employees, engage such agents and employees as may be required in the conduct of the business.

President

Section 2. The President shall be the chief executive officer, having full charge of all of the affairs of the Company, and shall preside at all meetings of the Stockholders and, in the absence of the Chairman of the Board, at meetings of the Board of Directors. The President shall sign all contracts, deeds, bonds, notes, and other official documents except that he may delegate the signing of certain documents to other officers or employees of the Company.

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Executive Vice President

Section 3. The Executive Vice President shall perform such duties as are assigned to him by the Board of Directors or the President, and in the absence of the President, shall be the chief executive officer, having full charge of all of the affairs of the Company, performing the duties of the President.

Vice Presidents

Section 4. The Vice Presidents shall perform such duties as are assigned to them by the Board of Directors or the President.

Secretary

Section 5. The Secretary shall be present at and record the proceedings of all meetings of the Board of Directors and of the Stockholders and shall give notices of meetings of Directors and Stockholders. He shall have charge of the Capital Stock records of the Company, deeds, contracts, and other corporate documents. He shall be the custodian of the seal of the Company and shall affix it to any instrument requiring the same. He shall have such other duties as may be assigned to him by the Board of Directors or the President.

Treasurer

Section 6. The Treasurer shall have charge of all receipts and disbursements of the Company and shall be custodian of the Company's funds. He shall have full authority to receive and give or authorize the giving of receipts for all moneys due and payable to the Company and to endorse or authorize the endorsing of checks, drafts and warrants in its name and on its behalf. He shall have other duties as may be assigned to him by the Board of Directors or the President.

Controller

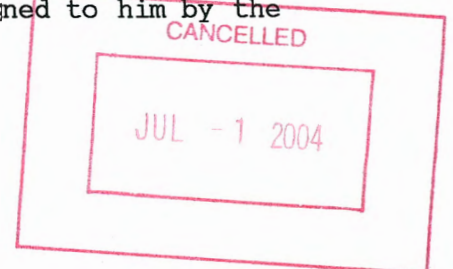
Section 7. The Controller shall have charge of the accounting records of the Company. He shall have such other duties as may be assigned to him by the Board of Directors or the President.

Internal Auditor

Section 8. The Internal Auditor shall perform such duties as may be assigned by the Board of Directors, the President or the officer to whom he reports.

Chairman of the Board

Section 9. In the event the Board of Directors elects a Chairman of the Board and designates by resolution that the Chairman of the Board shall be an officer of the corporation, the Chairman of the Board shall preside at all meetings of the Board of Directors and shall serve the corporation in any advisory capacity, and perform such duties, as may be assigned to him by the Board of Directors.



Other Officers

Section 10. Other officers elected by the Board of Directors shall perform such duties as may be assigned to them by the Board of Directors, the President or the officers to whom they report.

Article IV

Capital Stock Certificates and Director Nominations

Section 1. The Board of Directors shall approve all stock certificates as to form. The certificates for the various classes of stock, issued by the Company, shall be printed or engraved with the facsimile signatures of the President and Secretary and a facsimile seal of the Company. The Board of Directors shall appoint transfer agents to issue and transfer certificates of stock, and registrars to register said certificates.

Section 2. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations for the election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any stockholder entitled to vote in the election of directors generally. However, any stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as director or directors at a stockholders' meeting only if written notice of such stockholder's intent to make such nomination or nominations has been given either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Company not later than 90 days in advance of such meeting; provided, however, that in the event the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered not later than the close of business on the tenth day following the date on which notice of such meeting was first communicated to stockholders. Each such notice shall set forth (a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the stockholder is a holder of record of stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the Company if so elected. The Chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

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Article V

Lost Stock Certificates

The Board of Directors may, in its discretion, direct that a new certificate or certificates of stock be issued in place of any certificate or certificates of stock theretofore issued by the Company, alleged to have been stolen, lost or destroyed, and the Board of Directors when authorizing the issuance of such new certificate or certificates may, in its discretion, and as a condition precedent thereto, require the owner of such stolen, lost or destroyed certificate or certificates or the legal representatives of such owner, to give to the Company, its transfer agent or agents, its registrar or registrars, as may be authorized or required to sign and countersign such new certificate or certificates, a corporate surety bond in such sum as it may direct as indemnity against any claim or claims that may be made against the Company, its transfer agent or agents, its registrar or registrars, for or in respect to the shares of stock represented by the certificate or certificates alleged to have been stolen, lost or destroyed.

Article VI

Dividends on Preferred Stock

Dividends upon the 5% Cumulative Preferred Stock, \$25 Par value, if declared, shall be payable on January 15, April 15, July 15 and October 15 of each year. If the date herein designated for the payment of any dividend shall, in any year, fall upon a legal holiday, then the dividend payable on such date shall be paid on the next day not a legal holiday.

Dividends in respect of each share of 7.45% Cumulative Preferred Stock, par value \$25 per share, of the Company shall be payable on July 16, 1973, when and as declared by the Board of Directors of the Company, to holders of record on June 29, 1973, and will accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$8.72 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 15, 1976, when and as declared by the Board of Directors of the Company, to holders of record on September 30, 1976, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$8.90 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 16, 1978, when and as declared by the Board of Directors of the Company, to holders of record on September 29, 1978, and shall accrue from the date of original issuance of

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said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$9.54 Cumulative Preferred Stock (without par value) of the Company shall be payable on January 15, 1980, when and as declared by the Board of Directors of the Company, to holders of record on December 31, 1979, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Article VII

Finance

Section 1. The Board of Directors shall designate the bank or banks to be used as depositories of the funds of the Company and shall designate the officers and employees of the Company who may sign and countersign checks drawn against the various accounts of the Company. The Board of Directors may authorize the use of facsimile signatures on checks drawn against certain bank accounts of the Company.

Section 2. Notes shall be signed by the President and either a Vice President or the Treasurer. In the absence of the President, notes shall be signed by two Vice Presidents, or a Vice President and the Treasurer.

Article VIII

Seal

The seal of this Company shall be in the form of a circular disk, bearing the following information:

(Louisville Gas and Electric Company)
(Incorporated Under the Laws of)
(Kentucky)
(Seal)
(1913)

Article IX

Amendments

Subject to the provisions of the Company's Amended Articles of Incorporation, these By-Laws may be amended or repealed at any regular meeting of the stockholders (or at any special meeting thereof duly called for that purpose)

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by the holders of at least a majority of the voting power of the shares represented and entitled to vote thereon at such meeting at which a quorum is present; provided that in the notice of such special meeting notice of such purpose shall be given. Subject to the laws of the State of Kentucky, the Company's Amended Articles of Incorporation and these By-Laws, the Board of Directors may by majority vote of those present at any meeting at which a quorum is present amend these By-Laws, or adopt such other By-Laws as in their judgment may be advisable for the regulation of the conduct of the affairs of the Company.

Article X

Indemnification

Section 1. Right to Indemnification. Each person who was or is a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Director"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Kentucky Business Corporation Act, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Director in connection therewith and such indemnification shall continue as to an Indemnified Director who has ceased to be a director or officer and shall inure to the benefit of the Indemnified Director's heirs, executors and administrators. Each person who was or is an officer of the Company and not a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding, by reason of the fact that he or she is or was an officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Officer"), whether the basis of such proceeding is alleged action in an official capacity as an officer or in any other capacity while serving as an officer, shall be indemnified and held harmless by the Company against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Officer to the same extent and under the same conditions that the Company must indemnify an Indemnified Director pursuant to the immediately preceding sentence and to such further extent as is not contrary to public policy and such indemnification shall continue as to an Indemnified Officer who has ceased to be an officer and shall inure to the benefit of the Indemnified Officer's heirs,

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executors and administrators. Notwithstanding the foregoing and except as provided in Section 2 of this Article X with respect to proceedings to enforce rights to indemnification, the Company shall indemnify any Indemnified Director or Indemnified Officer in connection with a proceeding (or part thereof) initiated by such Indemnified Director or Indemnified Officer only if such proceeding (or part thereof) was authorized by the Board of Directors of the Company. As hereinafter used in this Article X, the term "indemnitee" means any Indemnified Director or Indemnified Officer. Any person who is or was a director or officer of a subsidiary of the Company shall be deemed to be serving in such capacity at the request of the Company for purposes of this Article X. The right to indemnification conferred in this Article shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Kentucky Business Corporation Act requires, an advancement of expenses incurred by an indemnitee who at the time of receiving such advance is a director of the Company shall be made only upon: (i) delivery to the Company of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise; (ii) delivery to the Company of a written affirmation of the indemnitee's good faith belief that he has met the standard of conduct that makes indemnification by the Company permissible under the Kentucky Business Corporation Act; and (iii) a determination that the facts then known to those making the determination would not preclude indemnification under the Kentucky Business Corporation Act. The right to indemnification and advancement of expenses conferred in this Section 1 shall be a contract right.

Section 2. Right of Indemnitee to Bring Suit. If a claim under Section 1 of this Article X is not paid in full by the Company within sixty days after a written claim has been received by the Company (except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days), the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part in any such suit or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee also shall be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (other than a suit to enforce a right to an advancement of expenses brought by an indemnitee who will not be a director of the Company at the time such advance is made) it shall be a defense that, and in (ii) any suit by the Company to recover an advancement of expenses pursuant to the terms of an undertaking the Company shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the standard of conduct that makes it permissible hereunder or under the Kentucky Business Corporation Act (the "applicable standard of conduct") for the Company to indemnify the indemnitee for the amount claimed. Neither the failure of the Company (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including its Board of

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Directors, independent legal counsel or its stockholders) that the indemnitee has not met the applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article X or otherwise shall be on the Company.

Section 3. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article X shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Company's Articles of Incorporation, these By-Laws, any agreement, any vote of stockholders or disinterested directors or otherwise.

Section 4. Insurance. The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kentucky Business Corporation Act.

Section 5. Indemnification of Employees and Agents. The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Company and to any person serving at the request of the Company as an agent or employee of another corporation or of a partnership, joint venture, trust or other enterprise to the fullest extent of the provisions of this Article X with respect to the indemnification and advancement of expenses of directors and officers of the Company.

Section 6. Repeal or Modification. Any repeal or modification of any provision of this Article X shall not adversely affect any rights to indemnification and to advancement of expenses that any person may have at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Section 7. Severability. In case any one or more of the provisions of this Article X, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions in this Article X, and any other application thereof, shall not in any way be affected or impaired thereby.

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Louisville Gas and Electric Company
P. O. Box 32010
Louisville, Kentucky 40232

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RATES AND TARIFFS

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JAN 9 1990

PUBLIC SERVICE
COMMISSION

January 8, 1990

Public Service Commission of Kentucky
P. O. Box 615
730 Schenkel Lane
Frankfort, Kentucky 40601

Gentlemen:

Enclosed is a certificate which should be attached to the copy of this Company's By-Laws which were effective January 1, 1990, and sent you with a letter dated January 5 from Mr. W. W. Hancock, Jr.

I inadvertently omitted the referenced certificate and apologize for any inconvenience caused you.

Very truly yours,

Linda P. Ross
Executive Secretary to
Mr. W. W. Hancock, Jr.
Senior Vice President-Finance
and Secretary

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Enclosure

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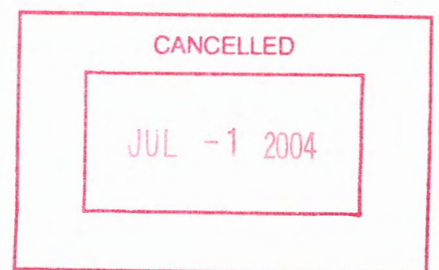
JAN 9 1990

PUBLIC SERVICE
COMMISSION

I, W. W. Hancock, Jr., do hereby certify that I am Secretary of Louisville Gas and Electric Company, a corporation duly organized and existing under and by virtue of the laws of the State of Kentucky; that as such Secretary I have access to all original records of said corporation; that I am one of the duly authorized and proper officers of said corporation to make certified copies of its records in its behalf; and I do hereby further certify that the attached is a true and correct copy of the By-Laws, as amended November 1, 1989, to be effective January 1, 1990, and that said By-Laws are still in full force and effect.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of said corporation this 5th day of January, 1990.


Secretary



William W. Hancock, Jr.
Senior Vice President
Finance, and Corporate Secretary

Louisville Gas and Electric Co.
P.O. Box 32010
311 W. Chestnut Street
Louisville, Kentucky 40232
502-627-2213

January 5, 1990

FILED

JAN 8 1990

PUBLIC SERVICE
COMMISSION

Public Service Commission of Kentucky
P. O. Box 615
730 Schenkel Lane
Frankfort, Kentucky 40601

Gentlemen:

Enclosed is a certified copy of this Company's By-Laws as amended by the Board of Directors on November 1, 1989, to be effective January 1, 1990. The changes in the By-Laws were to amend Section 1 and Section 8 of Article III and to add Section 10 to Article III.

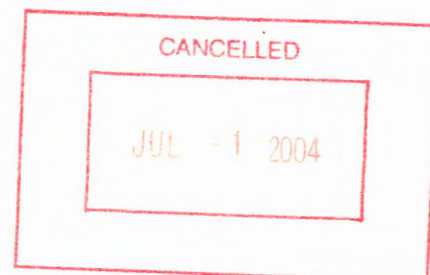
These changes in the By-Laws are the only change since they were amended on May 3, 1989.

Very truly yours,



WWH, Jr./lpr

Enclosure



LOUISVILLE GAS AND ELECTRIC COMPANY
(a Kentucky corporation)

By-Laws Adopted November 7, 1956
As Amended Through January 1, 1990

Article I

Meetings of Stockholders

Section 1. The Annual Meeting of the stockholders of the Company shall be held at the office of the Company, or, at any other location in the City of Louisville, designated by the Board of Directors, at 3:00 P.M. on the second Tuesday in May of each year. Notice of the annual meeting shall be mailed to each stockholder entitled to notice thereof at least ten (10) days before the date thereof.

Section 2. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of stockholders may be called only by the President of the Company or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. For purposes of these By-Laws, the phrase "Company's Amended Articles of Incorporation" shall mean the Amended Articles of Incorporation of Louisville Gas and Electric Company as in effect on February 1, 1987, and as thereafter amended from time to time.

Section 3. A stockholder may vote in person or by proxy, filed with the Secretary of the Company before or immediately upon the convening of the meeting.

Section 4. Any action required or permitted to be taken by the stockholders of the Company at a meeting of such holders may be taken without such a meeting **only** if a consent in writing setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof.

Section 5. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly be requested to be brought before the meeting by a stockholder. For business to be properly requested to be brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Company. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company, not less than 90 days prior to the meeting; provided, however, that in the event that the date of the meeting is not publicly announced by the

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Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered to the Secretary of the Company not later than the close of business on the tenth day following the day on which such announcement of the date of the meeting was communicated to stockholders. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Company's books, of the stockholder proposing such business, (c) the class and number of shares of the Company which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 5. The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 5, and if he should so determine, he shall so declare to the meeting that any such business not properly brought before the meeting shall not be transacted.

Article II

Board of Directors

Section 1. (a) The number of directors of the Company shall be fixed from time to time by the Board of Directors, but shall be no fewer than nine (9) and no more than 15. The Board of Directors may elect one of its members as Chairman of the Board. Regular meetings of the Board of Directors shall be held at such time and place as may be fixed by the Board of Directors. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as determined by the Board of Directors, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1989, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1990, with each member of each class to hold office until his successor is elected and qualified. At each annual meeting of the stockholders of the Company and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

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(b) Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in Section 2 of Article IV of these By-Laws.

(c) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(d) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally (as defined in Article Eighth of the Company's Amended Articles of Incorporation), voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph (d), if at any time any stockholders of the Company have cumulative voting rights with respect to the election of directors and less than the entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part.

Section 2. Regular Meetings shall be held at such time and place as may be fixed by the Board of Directors.

Section 3. Special Meetings of the Board of Directors shall be held at the call of the Chairman or of the President, or, in their absence, of a Vice President, or at the request in writing of not less than three (3) members of the Board.

Section 4. Regular and Special Meetings may be held outside of the State of Kentucky.

Section 5. Notices of Regular and Special Meetings shall be sent to each director at least one (1) day prior to the meeting.

Section 6. The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, except as may be otherwise

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provided by law or by the Company's Amended Articles of Incorporation. Unless otherwise provided by law, at each meeting of the Board of Directors, the presence of a majority of the total number of directors shall constitute a quorum for the transaction of business. Except as provided in Section 1(c) of this Article II, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In case at any meeting of the Board of Directors a quorum shall not be present, the members of the Board of Directors present may by majority vote adjourn the meeting from time to time until a quorum shall attend.

Section 7. Directors may receive such fees or compensation for their services as may be authorized by resolution of the Board of Directors. In addition, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting.

Section 8. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more other committees each of which, to the extent provided in such resolution, shall have and exercise all the authority of the Board of Directors, but no such committee shall have the authority to take action that under Kentucky law can only be taken by a board of directors.

Article III

Officers

Section 1. The officers of the corporation shall be a President, one or more Vice Presidents (one of whom may be Executive Vice President), a Secretary, a Treasurer, a Controller, an Internal Auditor, and such other officers (including, if so directed by a resolution of the Board of Directors, a Chairman of the Board) as the Board may from time to time elect or appoint. Any two of the offices, except that of the President and Internal Auditor, may be combined in one person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity. Officers are to be elected by the Board of Directors of the Company at the first meeting of the board following the Annual Stockholders' Meeting and, unless otherwise specified by the Board of Directors, shall be elected to hold office for one year or until their successors are elected and qualified. Any vacancies among the officers (including vacancies arising by the appointment of additional Vice Presidents or other officers) may be filled by the Board of Directors. The President and Vice Presidents shall, themselves, or through authority vested by them in other officers or employees, engage such agents and employees as may be required in the conduct of the business.

President

Section 2. The President shall be the chief executive officer, having full charge of all of the affairs of the Company, and shall preside at all meetings of the Stockholders and, in the absence of the Chairman of the Board, at meetings of the Board of Directors. The President shall sign all contracts, deeds, bonds, notes, and other official documents except that he may delegate

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the signing of certain documents to other officers or employees of the Company.

Executive Vice President

Section 3. The Executive Vice President shall perform such duties as are assigned to him by the Board of Directors or the President, and in the absence of the President, shall be the chief executive officer, having full charge of all of the affairs of the Company, performing the duties of the President.

Vice Presidents

Section 4. The Vice Presidents shall perform such duties as are assigned to them by the Board of Directors or the President.

Secretary

Section 5. The Secretary shall be present at and record the proceedings of all meetings of the Board of Directors and of the Stockholders and shall give notices of meetings of Directors and Stockholders. He shall have charge of the Capital Stock records of the Company, deeds, contracts, and other corporate documents. He shall be the custodian of the seal of the Company and shall affix it to any instrument requiring the same. He shall have such other duties as may be assigned to him by the Board of Directors or the President.

Treasurer

Section 6. The Treasurer shall have charge of all receipts and disbursements of the Company and shall be custodian of the Company's funds. He shall have full authority to receive and give or authorize the giving of receipts for all moneys due and payable to the Company and to endorse or authorize the endorsing of checks, drafts and warrants in its name and on its behalf. He shall have other duties as may be assigned to him by the Board of Directors or the President.

Controller

Section 7. The Controller shall have charge of the accounting records of the Company. He shall have such other duties as may be assigned to him by the Board of Directors or the President.

Internal Auditor

Section 8. The Internal Auditor shall perform such duties as may be assigned by the Board of Directors, the President or the officer to whom he reports.

Chairman of the Board

Section 9. In the event the Board of Directors elects a Chairman of the Board and designates by resolution that the Chairman of the Board shall be an officer of the corporation, the Chairman of the Board shall preside at all meetings of the Board of Directors and shall serve the corporation in an advisory capacity, and perform such duties, as may be assigned to him by the Board of Directors.

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Other Officers

Section 10. Other officers elected by the Board of Directors shall perform such duties as may be assigned to them by the Board of Directors, the President or the officers to whom they report.

Article IV

Capital Stock Certificates and Director Nominations

Section 1. The Board of Directors shall approve all stock certificates as to form. The certificates for the various classes of stock, issued by the Company, shall be printed or engraved with the facsimile signatures of the President and Secretary and a facsimile seal of the Company. The Board of Directors shall appoint transfer agents to issue and ~~transfer~~ certificates of stock, and registrars to register said certificates.

Section 2. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations for the election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any stockholder entitled to vote in the election of directors generally. However, any stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as director or directors at a stockholders' meeting only if written notice of such stockholder's intent to make such nomination or nominations has been given either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Company not later than 90 days in advance of such meeting; provided, however, that in the event the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered not later than the close of business on the tenth day following the date on which notice of such meeting was first communicated to stockholders. Each such notice shall set forth (a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the stockholder is a holder of record of stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the Company if so elected. The Chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

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Article V

Lost Stock Certificates

The Board of Directors may, in its discretion, direct that a new certificate or certificates of stock be issued in place of any certificate or certificates of stock theretofore issued by the Company, alleged to have been stolen, lost or destroyed, and the Board of Directors when authorizing the issuance of such new certificate or certificates may, in its discretion, and as a condition precedent thereto, require the owner of such stolen, lost or destroyed certificate or certificates or the legal representatives of such owner, to give to the Company, its transfer agent or agents, its registrar or registrars, as may be authorized or required to sign and countersign such new certificate or certificates, a corporate surety bond in such sum as it may direct as indemnity against any claim or claims that may be made against the Company, its transfer agent or agents, its registrar or registrars, for or in respect to the shares of stock represented by the certificate or certificates alleged to have been stolen, lost or destroyed.

Article VI

Dividends on Preferred Stock

Dividends upon the 5% Cumulative Preferred Stock, \$25 Par value, if declared, shall be payable on January 15, April 15, July 15 and October 15 of each year. If the date herein designated for the payment of any dividend shall, in any year, fall upon a legal holiday, then the dividend payable on such date shall be paid on the next day not a legal holiday.

Dividends in respect of each share of 7.45% Cumulative Preferred Stock, par value \$25 per share, of the Company shall be payable on July 16, 1973, when and as declared by the Board of Directors of the Company, to holders of record on June 29, 1973, and will accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$8.72 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 15, 1976, when and as declared by the Board of Directors of the Company, to holders of record on September 30, 1976, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$8.90 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 16, 1978, when and as declared by the Board of Directors of the Company, to holders of record on September 29, 1978, and shall accrue from the date of original issuance of

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said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of \$9.54 Cumulative Preferred Stock (without par value) of the Company shall be payable on January 15, 1980, when and as declared by the Board of Directors of the Company, to holders of record on December 31, 1979, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Article VII

Finance

Section 1. The Board of Directors shall designate the bank or banks to be used as depositories of the funds of the Company and shall designate the officers and employees of the Company who may sign and countersign checks drawn against the various accounts of the Company. The Board of Directors may authorize the use of facsimile signatures on checks drawn against certain bank accounts of the Company.

Section 2. Notes shall be signed by the President and either a Vice President or the Treasurer. In the absence of the President, notes shall be signed by two Vice Presidents, or a Vice President and the Treasurer.

Article VIII

Seal

The seal of this Company shall be in the form of a circular disk, bearing the following information:

(Louisville Gas and Electric Company)
(Incorporated Under the Laws of)
(Kentucky)
(Seal)
(1913)

Article IX

Amendments

Subject to the provisions of the Company's Amended Articles of Incorporation, these By-Laws may be amended or repealed at any regular meeting of the stockholders (or at any special meeting thereof duly called for that purpose)

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by the holders of at least a majority of the voting power of the shares represented and entitled to vote thereon at such meeting at which a quorum is present; provided that in the notice of such special meeting notice of such purpose shall be given. Subject to the laws of the State of Kentucky, the Company's Amended Articles of Incorporation and these By-Laws, the Board of Directors may by majority vote of those present at any meeting at which a quorum is present amend these By-Laws, or adopt such other By-Laws as in their judgment may be advisable for the regulation of the conduct of the affairs of the Company.

Article X

Indemnification

Section 1. Right to Indemnification. Each person who was or is a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Director"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Kentucky Business Corporation Act, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Director in connection therewith and such indemnification shall continue as to an Indemnified Director who has ceased to be a director or officer and shall inure to the benefit of the Indemnified Director's heirs, executors and administrators. Each person who was or is an officer of the Company and not a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding, by reason of the fact that he or she is or was an officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Officer"), whether the basis of such proceeding is alleged action in an official capacity as an officer or in any other capacity while serving as an officer, shall be indemnified and held harmless by the Company against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Officer to the same extent and under the same conditions that the Company must indemnify an Indemnified Director pursuant to the immediately preceding sentence and to such further extent as is not contrary to public policy and such indemnification shall continue as to an Indemnified Officer who has ceased to be an officer and shall inure to the benefit of the Indemnified Officer's heirs,

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executors and administrators. Notwithstanding the foregoing and except as provided in Section 2 of this Article X with respect to proceedings to enforce rights to indemnification, the Company shall indemnify any Indemnified Director or Indemnified Officer in connection with a proceeding (or part thereof) initiated by such Indemnified Director or Indemnified Officer only if such proceeding (or part thereof) was authorized by the Board of Directors of the Company. As hereinafter used in this Article X, the term "indemnitee" means any Indemnified Director or Indemnified Officer. Any person who is or was a director or officer of a subsidiary of the Company shall be deemed to be serving in such capacity at the request of the Company for purposes of this Article X. The right to indemnification conferred in this Article shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Kentucky Business Corporation Act requires, an advancement of expenses incurred by an indemnitee who at the time of receiving such advance is a director of the Company shall be made only upon: (i) delivery to the Company of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise; (ii) delivery to the Company of a written affirmation of the indemnitee's good faith belief that he has met the standard of conduct that makes indemnification by the Company permissible under the Kentucky Business Corporation Act; and (iii) a determination that the facts then known to those making the determination would not preclude indemnification under the Kentucky Business Corporation Act. The right to indemnification and advancement of expenses conferred in this Section 1 shall be a contract right.

Section 2. Right of Indemnitee to Bring Suit. If a claim under Section 1 of this Article X is not paid in full by the Company within sixty days after a written claim has been received by the Company (except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days), the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part in any such suit or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee also shall be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (other than a suit to enforce a right to an advancement of expenses brought by an indemnitee who will not be a director of the Company at the time such advance is made) it shall be a defense that, and in (ii) any suit by the Company to recover an advancement of expenses pursuant to the terms of an undertaking the Company shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the standard of conduct that makes it permissible hereunder or under the Kentucky Business Corporation Act (the "applicable standard of conduct") for the Company to indemnify the indemnitee for the amount claimed. Neither the failure of the Company (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including its Board of

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Directors, independent legal counsel or its stockholders) that the indemnitee has not met the applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article X or otherwise shall be on the Company.

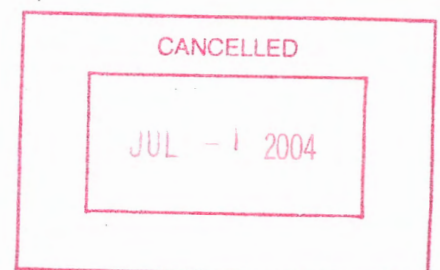
Section 3. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article X shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Company's Articles of Incorporation, these By-Laws, any agreement, any vote of stockholders or disinterested directors or otherwise.

Section 4. Insurance. The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kentucky Business Corporation Act.

Section 5. Indemnification of Employees and Agents. The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Company and to any person serving at the request of the Company as an agent or employee of another corporation or of a partnership, joint venture, trust or other enterprise to the fullest extent of the provisions of this Article X with respect to the indemnification and advancement of expenses of directors and officers of the Company.

Section 6. Repeal or Modification. Any repeal or modification of any provision of this Article X shall not adversely affect any rights to indemnification and to advancement of expenses that any person may have at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Section 7. Severability. In case any one or more of the provisions of this Article X, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions in this Article X, and any other application thereof, shall not in any way be affected or impaired thereby.



LOUISVILLE GAS AND ELECTRIC COMPANY
INCORPORATED IN KENTUCKY

P. O. BOX 354, LOUISVILLE, KY. 40201



January 22, 1971

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PUBLIC SERVICE
COMMISSION

To: Plumbers and Installers of Customers' Gas Piping

Subject: Revisions of LG&E Installation and Inspection Manual

Gentlemen:

The purpose of this letter is to prescribe certain revisions and modifications to Louisville Gas and Electric Company's gas piping standards as contained in the January 1, 1968, edition of its Installation and Inspection Manual for Customers' Gas Piping. Certain of these changes are made necessary by the promulgation of minimum safety standards by the United States Department of Transportation and by changes in the rules and regulations of the Public Service Commission of Kentucky.

The changes detailed herein will become effective March 1, 1971. Such changes are set forth in this letter form pending the printing and publication of a complete revised manual.

Service Line Installations

1. The previous minimum size of one-inch for new and replacement service lines supplied from the Company's medium or high pressure mains is changed to a minimum of three-quarter inch. All other provisions of the aforesaid Manual with respect to pipe sizes shall remain in effect.

2. The Company will test each service line to a pressure of not less than 100 lbs. per square inch before connecting such line to a medium or high pressure gas main. Before connecting a service line to a low or elevated pressure gas main, the Company will test such service line to a pressure of not less than 10 psi for low pressure nor less than 50 psi for elevated pressure. Otherwise all previous requirements with respect to pressure tests shall remain in effect.

3. All service lines and service line piping (including new lines, total replacements and partial replacements) installed underground after March 1, 1971, shall be mill-coated and cathodically protected as follows:

A. The coating must be an approved mill-applied coating in one of the following forms:

- (1) Epoxy
- (2) Plastic
- (3) Bituminous coal tar enamel in conjunction with felt and kraft paper wrapping

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by *[Signature]*
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Plumbers and Installers of Customers' Gas Piping
January 22, 1971
Page 2

B. All joints and all defects in coating shall be wrapped with a suitable insulating underground pipe tape using a primer that is compatible with the tape. The method of wrapping is shown in Figure 5 of the aforesaid Manual.

C. Mill-coated pipe shall extend at least 6" above grade on any piping that enters or leaves the ground.

D. All piping that extends through concrete below grade shall be encased in a permanent nonmetallic sleeve. The spaces between the sleeve, piping, and concrete shall be tightly sealed to prevent any gas or water leakage.

E. When an underground service line is partially replaced, each end of the mill-wrapped pipe shall be insulated from the old pipe. Anodes must be installed on the new mill-wrapped pipe in accordance with Paragraph F.

F. The customer shall furnish cathodic protection devices for all partially replaced service lines; and for all complete new or replacement service lines except under the circumstances covered in Paragraph G below. Such devices shall consist of a 5 lb. packaged magnesium anode for each 50 feet or less of pipe spaced as equally as practicable over the length of mill-wrapped pipe. The anodes shall be attached to the new piping by the thermit welding process using aluminum powder and copper oxide with the charge limited to 15 gram cartridges. All points where anodes are attached to the pipe shall be treated as defects in the coating and wrapped accordingly.

G. Louisville Gas and Electric Company undertakes to install cathodic protection devices on its gas mains designed to provide a protective current. With respect to all completely mill-wrapped underground service lines installed in accordance with its requirements, the Company will permit the connection of such lines to its mains with no insulation between the two. So long as the customer's service line is insulated from all other metallic contact, such a connection will have the effect of providing a cathodic protection current for such service line. Therefore, under these circumstances, the customer will not be required to provide the devices specified in Paragraph F above. Provided, however, if the Company should later discover that a metallic contact on the customer's service line destroys or jeopardizes the cathodic protection of the Company's mains and other piping, then, upon written or oral notice, the customer at his expense shall correct the condition on his service line.

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Plumbers and Installers of Customers' Gas Piping
January 22, 1971
Page 3

Meter Installations

1. All meter loops must have an approved tamperproof gas stop, three-quarter inch in size or larger if required, located on the inlet side of the meter loop. Such gas stop must have a gas operating pressure of 60 lbs. per square inch or greater and must have the tamperproof feature. When the operating pressure and the existence of the tamperproof feature are not detectable by visual inspection of the stop, the installer must furnish to the Company verification from the manufacturer that the gas stop is rated at a working pressure of 60 psi or more and is designed with the tamperproof feature.

2. When the service line is of a smaller size than the meter connection, the transition may be made by a reducing ell at the top of the vertical riser of the service line.

House Line Installations

1. Based upon its own and industry experience, and upon the experience of numerous customers, the Company strongly and urgently recommends that all underground house piping be cathodically protected against corrosion. Such protection should be accomplished in the same manner as is set forth under Paragraph 3, A through F, above under Service Line Installations. The responsibility for the proper installation of mill-coated pipe and of anodes in all cases rests with the customer.

2. In addition to the specifications set forth under Paragraph 3 above under Service Line Installations, effective cathodic protection requires that each section of steel or iron house line piping that is installed underground be insulated at each point that it extends into or out of the ground. This insulation should be accomplished by installing an approved insulating screw coupling, using an insulating material of fabric based plastic impregnated with phenolic resin, or the equivalent of such coupling. (See attached drawing for examples of where insulating couplings are required.) Anodes are necessary on each section of underground house line piping.

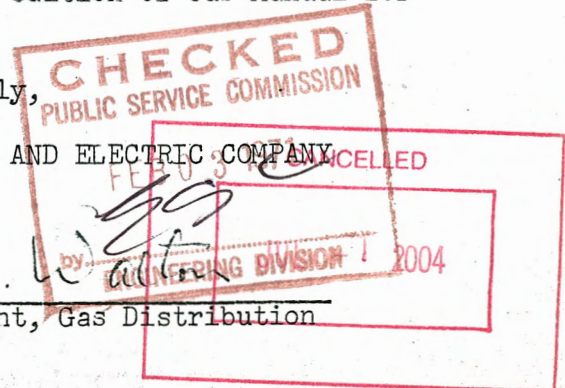
All other provisions of the January 1, 1968, edition of our Manual for Customers' Gas Piping remain in effect.

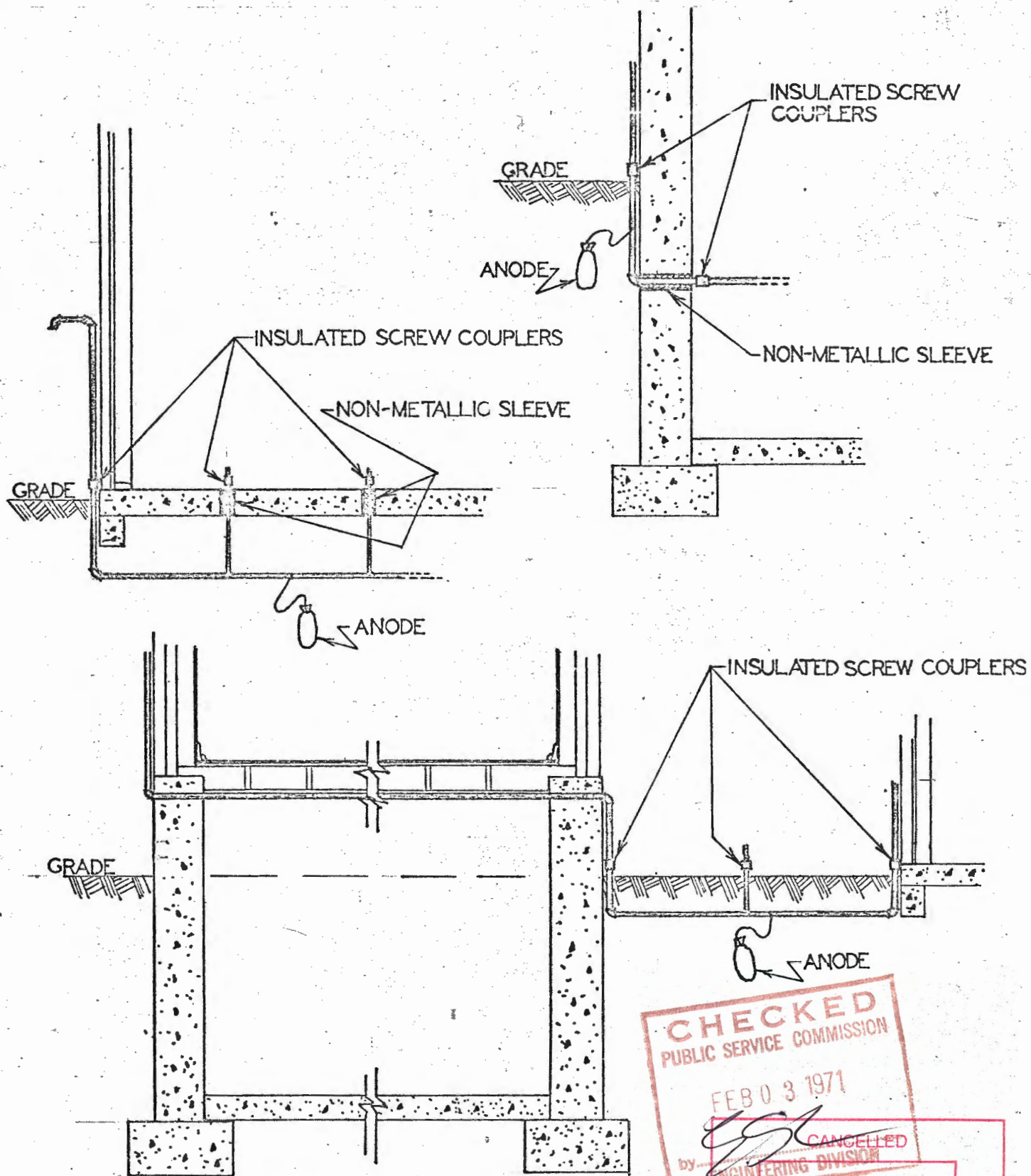
Yours very truly,

LOUISVILLE GAS AND ELECTRIC COMPANY

By

R. H. Walton
Superintendent, Gas Distribution

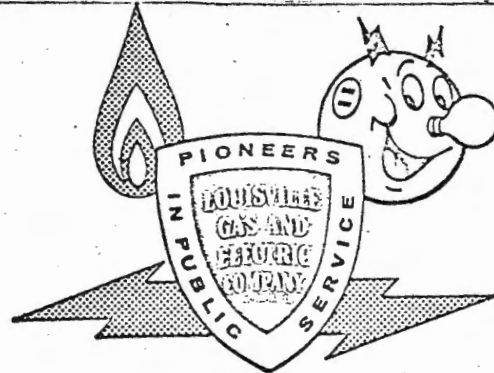




TYPICAL LOCATION OF INSULATING COUPLINGS ON HOUSE LINES

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INSTALLATION
AND
INSPECTION
MANUAL
FOR
CUSTOMERS'
GAS PIPING



Since 1838

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PREFACE

The purpose of this manual is to prescribe standards with respect to service line and meter installations, pursuant to the rules and regulations of the Public Service Commission of Kentucky governing gas utilities, Rule PSC: Gas--I-XI, reading in part as follows:

"Each gas utility shall adopt a standard method of meter and service line installation insofar as practicable. Such methods shall be set out with a written description and/or with drawings to the extent necessary for a clear understanding of the requirements, all of which shall be filed with the Commission. Copies of these standard methods shall be made available to prospective customers and contractors or others engaged in the business of installing pipe for gas utilization...."

Certain requirements set forth herein have been specifically adopted by the Public Service Commission of Kentucky. Also included in this manual are certain standards with respect to the customer's house piping, which are published in the interest of uniformity and safety in construction and installation. By the publication of these standards the Company does not assume any responsibility or liability.

Engineers of the Company's Gas Department will furnish any information that may be needed with respect to any installation. They should be consulted as early as possible and furnished with plot plans on all commercial, industrial, church and school installations. The Company desires to cooperate with all concerned to further the proper installation and use of natural gas piping facilities.



DEFINITIONS

1. APPROVED GAS STOP--A gas stop that meets or exceeds the requirements of specification number X50664 as published by the American Gas Association. This specification applies only to non-pressure lubricated, manually operated, iron body, brass plug, type gas stops in sizes from one-half inch thru two inch. An approved gas stop under the above specification can be visually identified by the following requirement:

Each gas stop shall be marked to show:

(a) Suitable identification of the manufacturer's name or trademark.

(b) The designation "60G" to indicate that the gas stop has been manufactured for use with gas at a maximum allowable operating pressure of 60 psig.

2. B.T.U. INPUT RATING--the quantity of heat energy input required to operate an appliance properly. It is related to the amount of natural gas needed to operate the appliance.

3. CATHODIC PROTECTED PIPING--underground piping which has an impressed current on it to retard corrosion.

4. CORROSION PREVENTION--measures taken to prolong the life of underground piping.

5. COMPANY'S SERVICE CONNECTION--piping from the Company's gas main to a point one foot outside of the customer's property line or easement line.

6. CURB SERVICE--a service connection installed by the Company to service a particular lot.

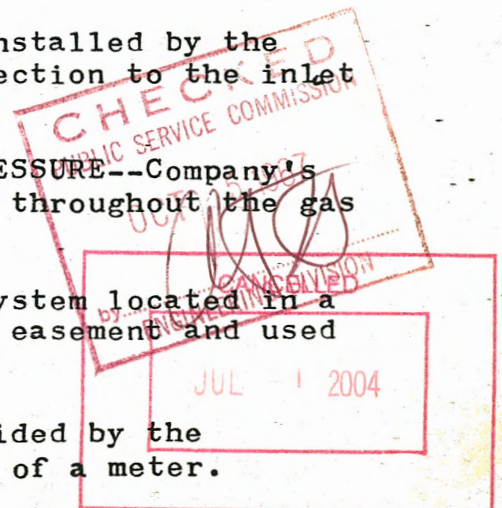
7. CUSTOMER'S HOUSE LINE--piping from the outlet side of the meter to all appliances or equipment connections.

8. CUSTOMER'S SERVICE LINE--piping installed by the customer from the Company's service connection to the inlet side of the meter.

9. LOW, ELEVATED, MEDIUM AND HIGH PRESSURE--Company's classification of pressures in the mains throughout the gas system.

10. MAIN--pipe of the Company's gas system located in a public highway, street, alley or private easement and used to distribute gas.

11. METER LOOP--necessary piping provided by the customer to accommodate the installation of a meter.



GENERAL INFORMATION

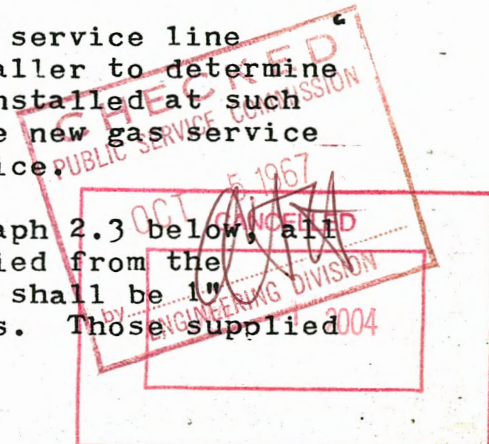
PART I

- 1.1 All piping installed shall be inspected by a Company Gas Inspector. Before calling for an inspection, the installer shall test all lines in the manner herein prescribed and shall have the house or lot number clearly visible. This will help to minimize the necessity of expensive recalls.
- 1.2 The Gas Inspector will make up to two trips to perform inspections at any one location without charge. When more than two trips are necessary to complete the inspection at any one location, a charge of \$5.00 will be made for each additional trip. The \$5.00 payment must be in the Gas Inspector's Office before any additional inspections will be made.
- 1.3 All requests for inspections must be made by the contractor or party doing the work.
- 1.4 An appliance does not have to be connected before an inspection will be made; however, at least one appliance must be ready for operation and an application for service made with the Company before the gas will be turned on. A service application is not required for a street connection.
- 1.5 Before making repairs or alterations to piping, the gas supply must be turned off. Only Company employees are authorized to turn gas on. Whenever possible, a request to turn gas on or off should be made at least one day in advance to allow time for scheduling work for the following day.
- 1.6 Contact the Gas Inspection Department for information on service to outside gas lights, grills, etc.

SERVICE LINE INSTALLATIONS

PART II

- 2.1 Before work is started, approval of service line locations must be requested by the installer to determine if a curb service has been previously installed at such location. If a curb service exists, the new gas service pipe must be in line with the curb service.
- 2.2 Subject to the provisions of paragraph 2.3 below, all new and replacement service lines supplied from the Company's medium or high pressure mains shall be 1" minimum size for single meter residences. Those supplied



from the Company's elevated or low pressure mains (as is the case in some areas of Jefferson County) shall be $1\frac{1}{4}$ " minimum size for single meter residences. A pressure map showing these locations is available upon request to those who frequently need this information. If there is any doubt as to the main pressure in any particular area, consult the Gas Inspection Department to determine if 1" pipe can be used.

- 2.3 No service line, regardless of diameter, may exceed 150 feet in length unless it is cathodically protected as outlined in the CORROSION PREVENTION section of this book. (See paragraph 3.3 under "Meter Installation"). The Gas Inspection Department shall be consulted in the following cases to determine the proper service line size:

(a) For services supplied from the Company's elevated or low pressure gas mains: If the total b.t.u. input rating of all connected appliances and equipment exceeds 250,000, or if the length of a cathodic protected service line exceeds 150 feet.

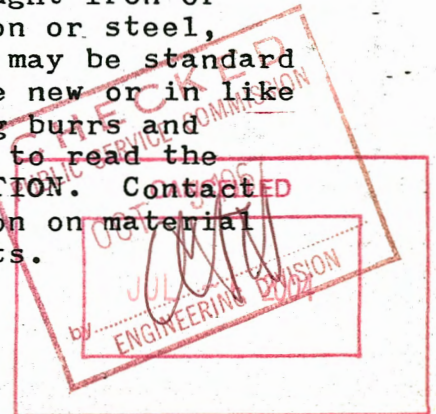
(b) For services supplied from the Company's medium or high pressure gas mains: If the total b.t.u. input rating of all connected appliances and equipment exceeds 400,000, or if the length of a cathodic protected service line exceeds 500 feet.

- 2.4 New or replacement service lines shall not run beneath or through any building wall, unless on low pressure and it is impracticable to locate new meters or to relocate existing meters on the outside because of inadequate meter space. Low pressure service lines to buildings with no outside meter space available must be sleeved or otherwise protected from corrosion at the foundation wall.

- 2.5 The ditch for a new, replacement, or partially replaced service line must be left open and the pipe uncovered until it has been examined by a Company Gas Inspector and found to be free of any irregularities or defects.

- 2.6 No chemical shall be used internally or externally to seal leaks. If so done, the pipe must be replaced with new pipe.

- 2.7 Gas piping shall be standard weight wrought iron or steel. Pipe fittings shall be malleable iron or steel, except in sizes six inches and larger which may be standard cast iron. Gas piping and fittings shall be new or in like new condition and shall be free from cutting burrs and defects in structure or threading. Be sure to read the section in this booklet on CORROSION PREVENTION. Contact the Gas Inspection Department for information on material to be used when installing outside gas lights.



2.8 All gas stops $2\frac{1}{2}$ " and larger in size shall be lubricated plug stops, or equivalent, and shall be lubricated as recommended by the manufacturer prior to inspection.

2.9 It is preferable that fittings be used in making all turns; however, the bending of outside service line piping shall be allowed with the following restrictions:

The pipe bends shall be free from buckling, cracks, excessive thinning of the pipe wall, or any other evidence of mechanical damage and shall be made to conform to the profile of the bottom of the completed trench. All bends shall be made by a cold bending method, no heat allowed, which shall result in a smooth uniform bend. The maximum deflection of the pipe shall depend upon the diameter and wall thickness, but in no case shall the longitudinal axis of the pipe be permanently deflected more than five degrees in any length along the pipe axis equal to the diameter of the pipe. (See Figure 1).

The minimum distance between the bend and the closest end of the pipe joint measured along the longitudinal axis of the pipe shall be six inches. In all cases suitable precautions shall be taken to prevent out-of-roundness at the end of the pipe joint due to the bending action.

When the pipe is double-jointed prior to the bending operation, the weld or coupling cannot be placed inside the bending apparatus. A minimum of six inches between the weld or coupling and the bending apparatus shall be maintained on double-jointed pipe. In no case shall a bend occur at a circumferential weld or coupling.

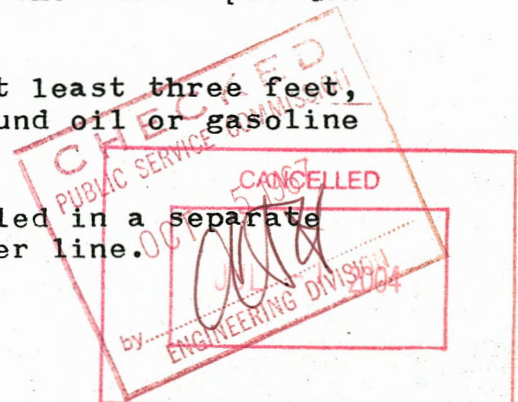
2.10 The pipe shall be between 18 and 24 inches deep over the entire length.

2.11 The service line shall be perpendicular (90°) to and extend a foot beyond the property or easement line. It shall not be in line with trees or poles, nor opposite street intersections or driveways. (See Figure 2).

2.12 In the installation of a service line, the customer shall not install any tees or branch connections. For service to additional buildings, consult the Gas Inspection Department.

2.13 Gas service lines shall be located at least three feet, measured horizontally, from any underground oil or gasoline storage tanks or lines.

2.14 The gas service line shall be installed in a separate ditch and at least three feet from a sewer line.



- 2.15 The gas service line may be in the same ditch as the water or underground electric service if they are at least twelve inches apart over their entire length, except at the property or easement line where they shall be at least three feet apart. (See Figure 2). Blocking up, supporting the lines at intervals, or shelving, is prohibited. The lines must be on the bottom of the ditch on undisturbed ground.
- 2.16 It is preferable that a screw coupling or a compression coupling be used for necessary connections. However, when couplings are impractical, piping may be connected by the use of a ground joint steam union with the nut "center punched" to prevent loosening by vibration. The use of close nipples is prohibited.
- 2.17 Gas service lines installed in cinders shall be wrapped or coated with a protective coating.
- 2.18 The Company will test each service line to a pressure of not less than 50 pounds per square inch before connecting such line to an elevated, medium or high pressure main. Before connecting a service line to a low pressure main, the Company will test the service line to a pressure of not less than 6 pounds per square inch. To enable the Company to perform this test, the installer shall connect a vertical riser, consisting of one inch pipe, to the end of the service pipe one foot outside of the property or easement line. Such riser shall extend four inches above grade and shall be fitted with a threaded cap at the top (See Figure 3). After a pressure test and inspection by the Company, the riser may be removed by the installer and the service line capped. Upon backfilling of the trench, the end of the service line shall be appropriately marked.

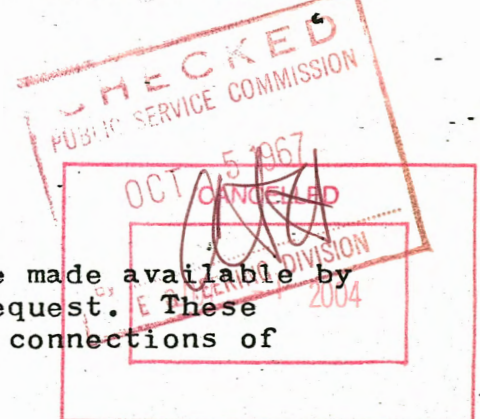
In lieu of providing a riser, the installer may test the service line to a pressure as outlined above and leave the pressure on the line. A pressure gauge must be installed at the meter loop for the Company Inspector to observe the test.

- 2.19 All of the specifications of this Part II shall apply to service lines installed for service to house trailers and mobile homes. See Part V, Gas Service to Trailers and Mobile Homes.

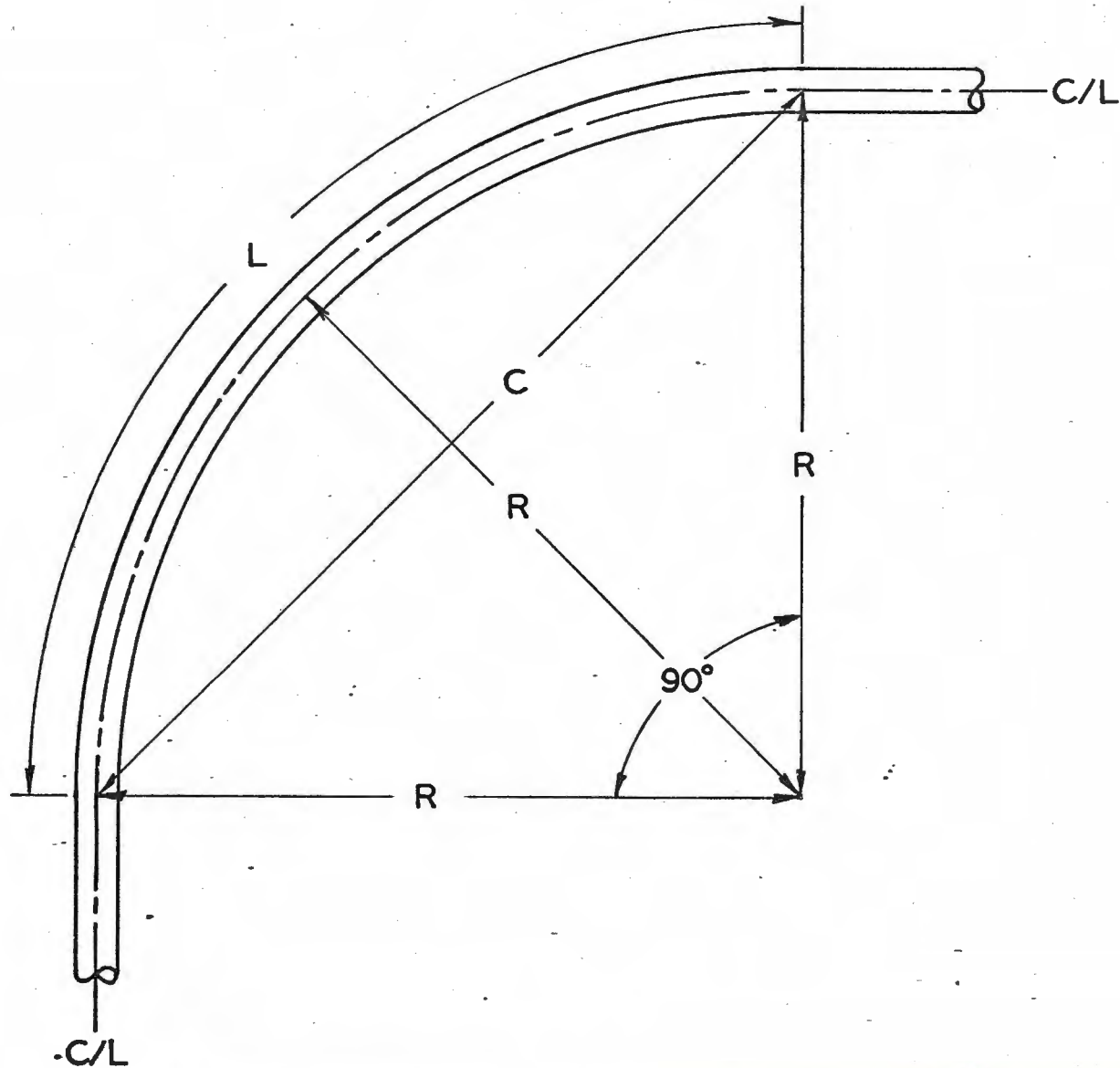
METER INSTALLATIONS

PART III

- 3.1 Prints of meters and meter loops are made available by the Company and will be furnished upon request. These prints show the specifications for meter connections of various size meters.



MINIMUM ALLOWABLE 90° BEND IN SERVICE LINE PIPING



PIPE SIZE	L	R	C
1"	18"	11 1/2"	16 1/2"
1 1/4"	22 1/2"	14 1/2"	20 1/2"
1 1/2"	27"	17"	24"
2"	36"	23"	32 1/2"
2 1/2"	45"	29"	41"
3"	54"	34 1/2"	49"
4"	72"	46"	65"
5"	90"	58"	82"

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FIGURE NO. 1
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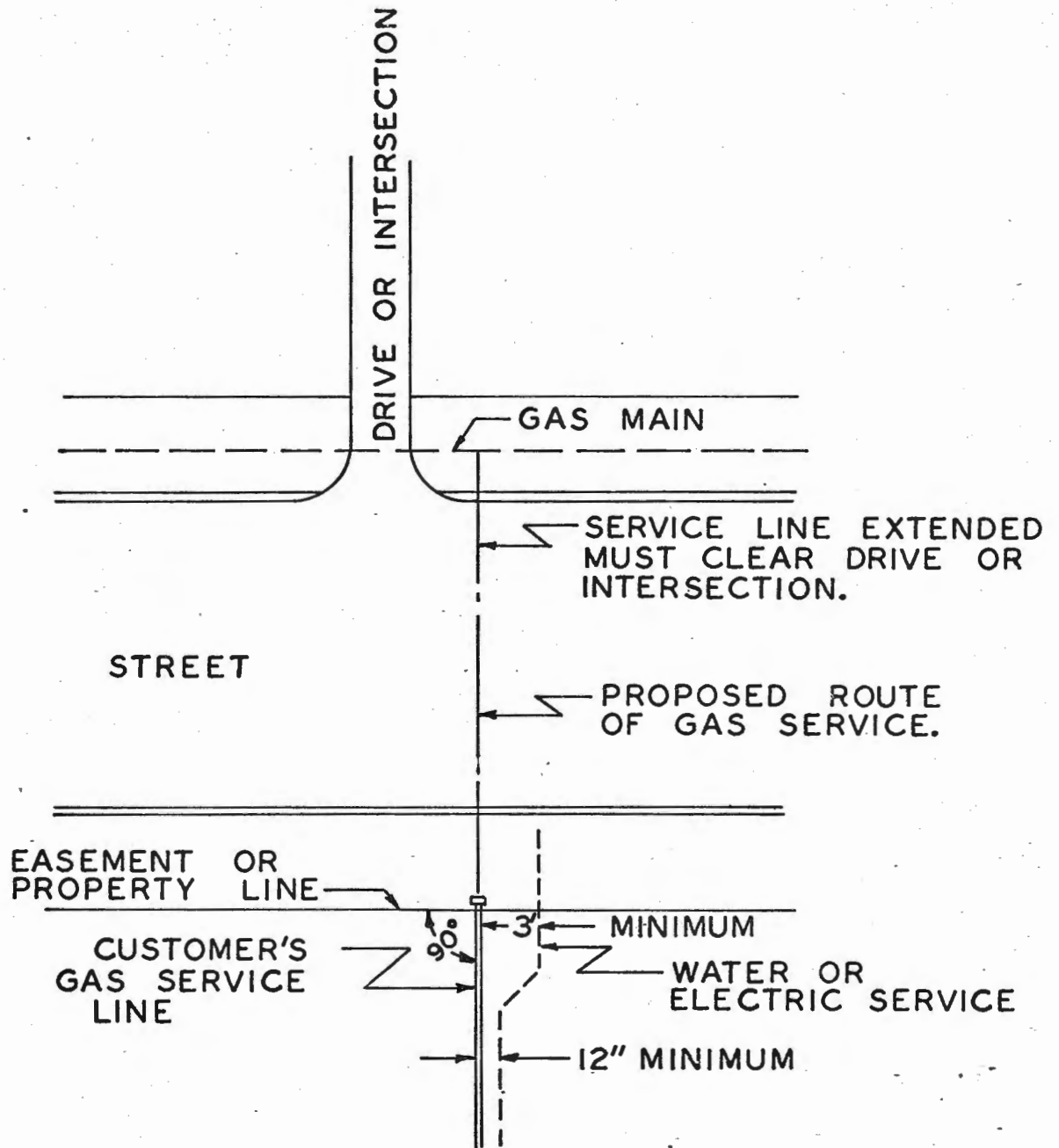


FIGURE NO. 2

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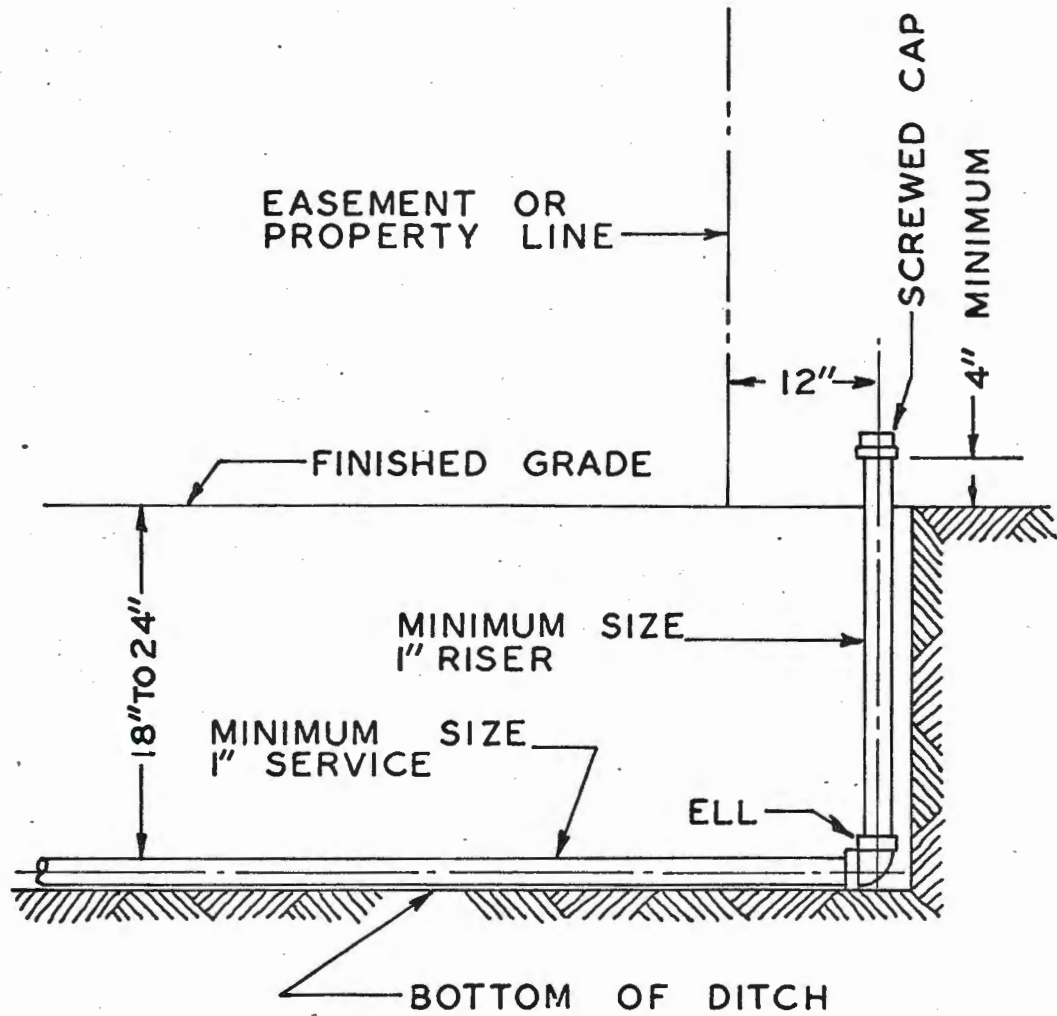
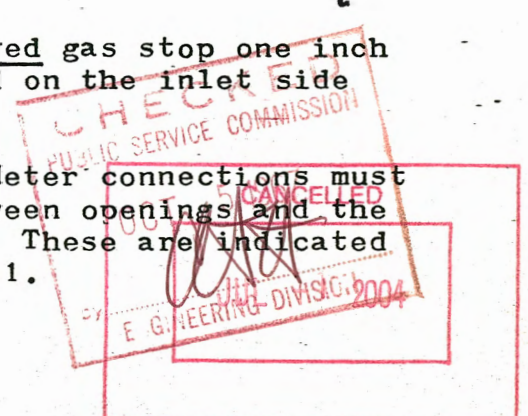


FIGURE NO. 3

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- 3.2 Approval of the meter location should be obtained before starting the installation.
- 3.3 On an unprotected gas service line, the meter location must be within 150 feet of the customer's property or easement line and agreeable to the Company. If a cathodic protected gas service line is installed in accordance with the rules outlined in the CORROSION PREVENTION SECTION of this booklet, the meter location may exceed 150 feet from the customer's property or easement line. The location must be agreeable to the Company.
- 3.4 All meters shall be located outside of and adjacent to the respective buildings which they serve. Where lack of space or other unusual circumstances preclude the installation of outside meters for commercial establishments, the Company's Gas Inspector should be consulted.
- 3.5 All meters must be easily accessible for reading and periodic changes.
- 3.6 When two or more meters are connected to one service line all meters must be in the same location and, if possible, adjacent to the building nearest the Company's gas main.
- 3.7 Meters located adjacent to driveways or other driving areas shall be at least three feet from the edge of such areas or otherwise protected from vehicular damage. In certain cases the Company may require a suitable barricade even when the meter is more than three feet from the edge of the driving area.
- 3.8 The meter must be located five feet or more from air intakes, three feet or more from air conditioners or their condensing units and one foot or more from foundation ventilator grills.
- 3.9 At locations where an electric meter exists, or in the case of new construction where the electric meter location has been spotted or is known, the gas meter shall not be located closer than three feet, measured horizontally, from the electric meter. There is no requirements as to the vertical distance between the meters.
- 3.10 All meter loops must have an approved gas stop one inch in size, or larger if required, located on the inlet side of the meter loop.
- 3.11 Meter loop risers must be plumb. Meter connections must be level with the correct distance between openings and the proper height from the finished grade. These are indicated on the prints mentioned in paragraph 3.1.

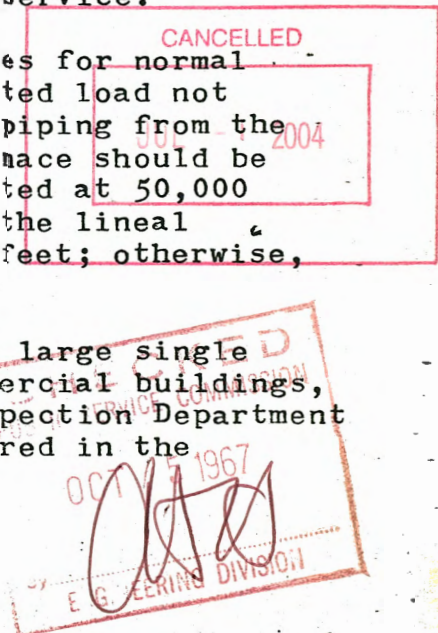


- 3.12 The service, or inlet riser, shall be supported with the appropriate number of split-ring or equivalent clamps, with one located within four inches from the top ell.
- 3.13 The house line, or outlet side, of the meter loop shall be made rigid using split-ring or equivalent clamps, if the vertical or horizontal piping exceeds eight inches before entering the building.
- 3.14 For additional specifications applicable to house trailer and mobile home installations, see Part V.

HOUSE LINE INSTALLATION

PART IV

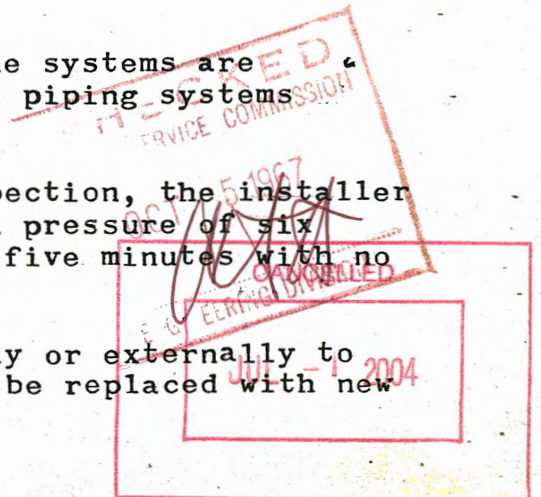
- 4.1 Gas piping shall be standard weight wrought iron or steel. Pipe fittings shall be malleable iron or steel except in sizes six inches and larger which may be cast iron. Gas piping and fittings shall be new or in like new condition and shall be free from cutting burrs and defects in structure or threading. The use of close nipples is prohibited. Contact the Gas Inspection Department for information on material to be used when installing outside gas lights, grills, etc.
- 4.2 In order to adequately size house line piping, it is recommended that the pressure loss in any piping system from the gas meter to any appliance at the total maximum probable gas demand of all connected appliances not exceed 0.3 inch water column.
- 4.3 Piping to any appliance shall not be smaller than the opening on the appliance and never smaller than one-half inch. Adequate consideration should be given to future demands, and provisions made for added gas service.
- 4.4 As a guide for minimum house piping sizes for normal single family residential use (total connected load not exceeding 250,000 b.t.u.), the main supply piping from the meter to the first outlet and/or to the furnace should be one inch, the piping to other appliances rated at 50,000 b.t.u. or less may be $\frac{1}{2}$ inch provided that the lineal length of pipe required does not exceed 12 feet; otherwise, $\frac{3}{4}$ inch should be used.
- 4.5 For larger piping installations such as large single dwellings, duplexes, apartment houses, commercial buildings, churches and schools, the Company's Gas Inspection Department should be contacted when assistance is desired in the selection of adequate size piping.



- 4.6 Wrought iron or steel piping shall extend through the finished floor or wall of the appliance room and either to or within six feet of the appliance. A gas stop must be installed in the rigid pipe extending to each appliance. The gas stop must be located in an accessible location within six feet (measured along the pipe) of the appliance. This location must be in the same room as the appliance, unless it is impractical from an accessibility standpoint. The end of the pipe or gas stop must be capped or plugged if no appliance is connected.
- 4.7 The final connection to the appliance shall be made with $\frac{1}{2}$ inch minimum size approved semi-rigid metal tubing, rigid pipe, or an approved metal appliance connector. When an appliance connector or tubing is used, it shall have no sweated joints and shall be installed horizontally with protection from physical damage. All vertical drop connections must be made with rigid pipe.
- 4.8 Bends are not allowed in house line piping. Fittings shall be used in making all turns.
- 4.9 Only ground joint steam unions, with the nut "center punched" to prevent loosening by vibration, may be used in house line piping. Unions shall be used only when absolutely necessary, but never in a concealed location.
- 4.10 House line piping shall not be installed in chimneys, flues, elevator shafts, clothes chutes, cold or warm air ducts, or any locations where something is likely to be stored against it or subject it to strains.
- 4.11 All gas stops $2\frac{1}{2}$ inch and larger in size shall be lubricated plug stops and shall be lubricated, as recommended by the manufacturer, prior to inspection.
- 4.12 Where foreign (stand-by) gases are to be used in the natural gas lines, a gas stop must be installed to prevent the foreign gas from backflowing into the natural gas piping. Any three-way stop used to introduce a foreign gas into the natural gas line shall be a three-way "two" position stop. As an added safety, a check valve shall be installed on both the foreign gas line and the natural gas line as near as possible to the point of interconnection. These check valves shall be installed in a horizontal line and operate under a pressure of three ounces, with no appreciable pressure loss.
- 4.13 Where other pressure piping systems, such as pre-mixing or proportioning apparatuses, are interconnected with the natural gas piping, a check valve shall be used to prevent foreign gases from backflowing into the natural gas piping. The check valve must be installed in a horizontal line and have a very light clapper which will operate under a pressure of three ounces with no appreciable pressure loss.
- 4.14 Horizontal piping shall be supported with pipe straps or hooks, at intervals of at least 6 feet for $\frac{1}{2}$ inch; 8 feet for $\frac{3}{4}$ or 1 inch; and 10 feet for $1\frac{1}{4}$ inch or larger. Branch connections to appliances shall be taken from the top or sides of horizontal lines and shall be supported so there is no strain on appliance controls or burners.

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- 4.15 A tee fitting and drip leg with the bottom outlet plugged or capped, shall be used at the bottom of all drop connections to appliances. Also, when house line piping has six feet or more of vertical piping, a tee fitting and drip leg shall be installed in place of an ell at the point of rise. Sufficient clearance shall be left between the drip leg cap and the floor so that the cap may be removed and the drip leg emptied. (See Figure 4).
- 4.16 Underground house lines shall be installed at a depth which will protect them from excessive external loadings and local activities such as plowing, gardening, shrub and flower planting. It is recommended that a minimum of eighteen inches of cover be maintained, but at no time should underground house lines be installed with less than twelve inches of cover, except when they extend directly through a wall from a meter adjacent to the building being served.
- 4.17 All underground house line piping when installed below grade through the outer foundation wall or through the floor slab of a building shall be either incased in a sleeve or otherwise protected from corrosion. The pipe and sleeve shall be tightly sealed at the foundation wall or floor slab.
- 4.18 Electrical or telephone systems shall not be grounded to gas piping.
- 4.19 When two or more meters are placed in the same location each house line shall be marked with a metal tag at the respective meter, so as to indicate the particular part of a building or premises served by such meters.
- 4.20 In multiunit buildings supplied by a master meter, each separate house line shall be controlled by an individual stop located as near the meter as possible and marked with a metal tag identifying the area served through the stop.
- 4.21 In multimetered buildings when appliances are located in a remote location from the area they serve (e.g., basement or utility room), an identifying metal tag, such as previously mentioned, shall be installed on the gas stop adjacent to the appliance.
- 4.22 When two or more separate house line systems are installed on the same premises, the gas piping systems shall not be interconnected.
- 4.23 Before calling for the Company inspection, the installer shall have tested the house piping to a pressure of six pounds per square inch for a period of five minutes with no loss in pressure.
- 4.24 No chemical shall be used internally or externally to seal leaks. If so done, the pipe must be replaced with new pipe.



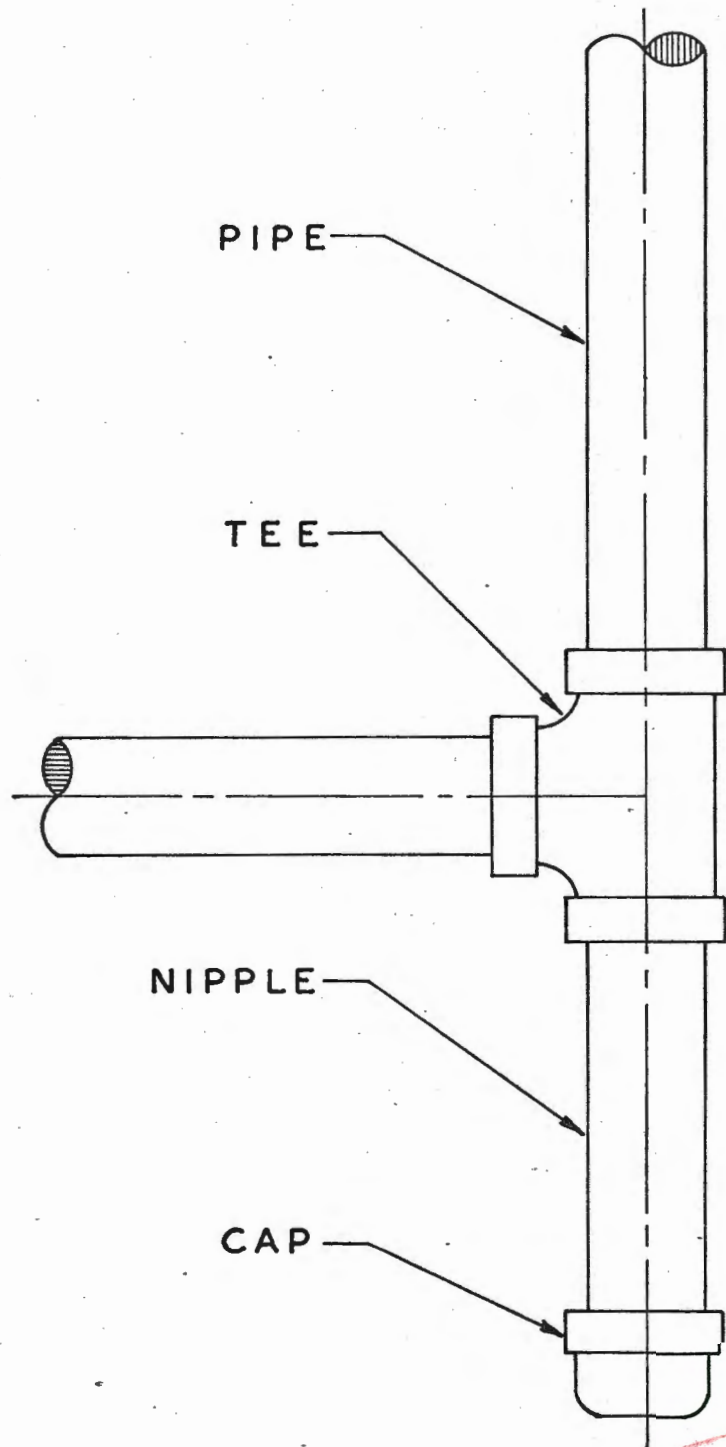


FIGURE NO. 4

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- 4.25 For additional specifications applicable to house trailer and mobile home installations, see Part V.

GAS SERVICE TO TRAILERS AND MOBILE HOMES

PART V

- 5.1 The following special requirements apply to installations for gas service to individual house trailers or mobile homes. The Company is making such service available on an experimental basis and reserves the right to discontinue the connection of additional trailers in the event this form of service is determined to be undesirable from the standpoints of operation, administration, or safety.
- 5.2 Before extending its gas service to any trailer or mobile home or to any trailer or mobile home park, the Company will require satisfactory assurance that all applicable laws, regulations, rules and standards of the state and local governments, and agencies thereof, relating to trailers and trailer parks, have been complied with.
- 5.3 All requirements of Parts II, III and IV not in conflict with the specific requirements of this Part V are applicable to trailer and mobile home installations.

Service Line Installations

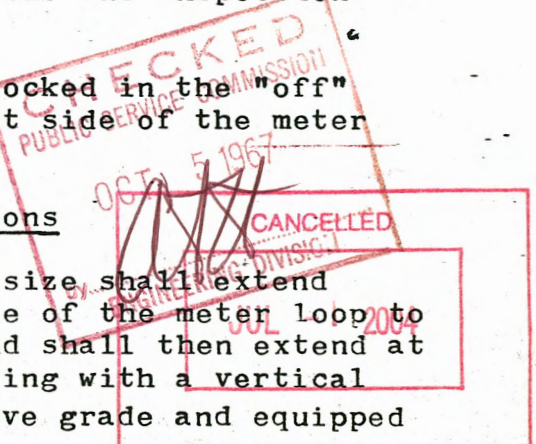
- 5.4 All service line installations shall comply with the requirements of Part II of this Manual.

Meter Installations

- 5.5 The meter loop must be located in the rear one-third section of the trailer site and shall be at least two feet out from the roadside wall (left side looking from the rear toward the front) of the trailer.
- 5.6 The meter loop must be supported so that it will be and remain completely rigid and must be barricaded when subject to danger of vehicular traffic. Drawings showing suggested meter loop construction may be obtained from the Gas Inspection Department.
- 5.7 An approved gas stop that can be locked in the "off" position shall be installed on the inlet side of the meter loop.

House Line Installations

- 5.8 Pipe of not less than one inch in size shall extend vertically downward from the outlet side of the meter loop to at least eighteen inches below grade and shall then extend at least three feet horizontally, terminating with a vertical riser extending at least six inches above grade and equipped



with an approved gas stop. Such riser shall be located in the rear one-third section of the trailer site and shall be at least two feet out from the roadside wall (left side looking from the rear toward the front) of the trailer.

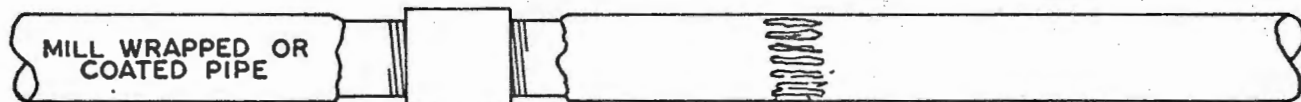
- 5.9 The connection from the riser to the trailer shall be made with semi-rigid metal tubing not more than six feet in length nor less than 3/4" in size. Aluminum tubing or connectors having aluminum exterior surface shall not be used.
- 5.10 To be eligible for service, each trailer shall be equipped with standard weight wrought iron or steel piping adequate for the use of natural gas. Any trailer not so equipped must be repiped before gas service will be connected.
- 5.11 Each trailer site shall have a lot number in plain view near the front of the site. A metal tag showing the same number shall be installed on the meter loop serving that site.

CORROSION PREVENTION

PART VI

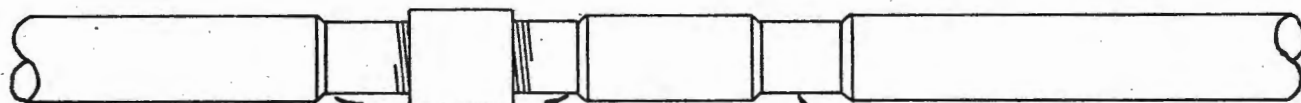
- 6.1 Although the Company does not require that customer service lines that are 150 feet or less in length be protected from corrosion, such protection is strongly recommended. Mill coating and cathodic protection are required for all customer service lines that are greater than 150 feet in length. The Company has installed coated and wrapped pipe with cathodic protection on all of its own piping installations since 1955.
- 6.2 In the interest of furthering the protection of customer's piping from corrosion, the Company will, on request, provide the protective current to a customer's service line provided it is coated in accordance with Company specifications as follows:
- (a) The pipe must be mill coated either (i) with an epoxy or plastic coating or (ii) with a bituminous coal tar enamel in conjunction with felt and kraft paper wrapping. All joints and all defects in the coating must be wrapped with suitable insulating pipe tape as shown in Figure 5.
- (b) The Company will not furnish protective current to any service line that has been wrapped or coated by hand.
- (c) The material used for the backfill shall be free of rocks, building materials, etc., that might cause damage to the protective coating.
- 6.3 As a further service, the Company will install an insulated meter swivel or furnish an insulating flange kit for use on large installations. This insulation breaks the circuit between the service line and any foreign line, such as a copper water line. The insulated flange kits are to be installed as shown in Figures 6 and 7.

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SCREWED FITTING

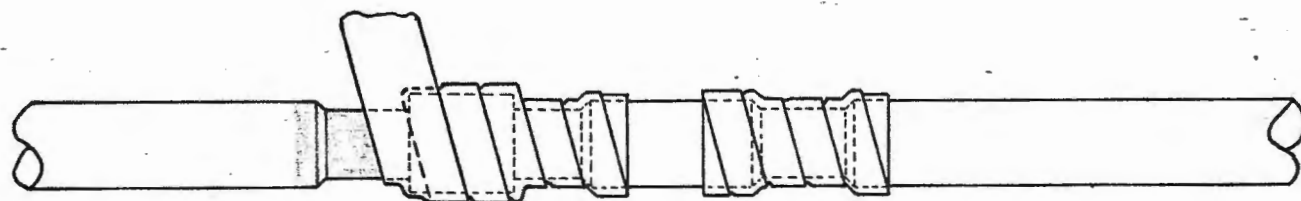
PIPE VICE OR
WRENCH MARKS



REMOVE LOOSE COATING &
CLEAN BARE SECTIONS OF
PIPE WITH A WIRE BRUSH



APPLY PRIMER TO BARE
SECTIONS OF PIPE AND
TO ALL FITTINGS



APPLY PIPE WRAP USING 50 PERCENT OVERLAP.
PRESS PIPE WRAP TIGHTLY AROUND ALL JOINTS
AND FITTINGS.

PRIMER MUST BE COMPATIBLE WITH PIPE WRAP.
THE PIPE WRAP USED MUST BE RECOMMENDED
FOR UNDERGROUND PIPE PROTECTION.
APPLY PRIMER TO END OF PIPE WRAP TO
ASSURE PERMANENT BOND.

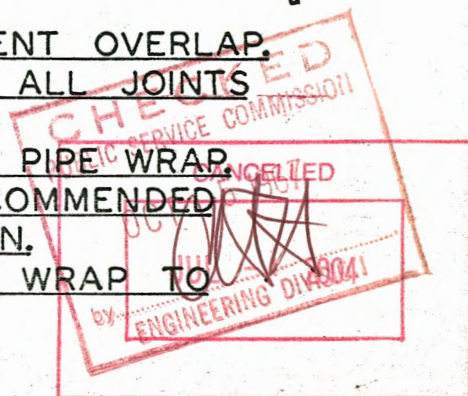
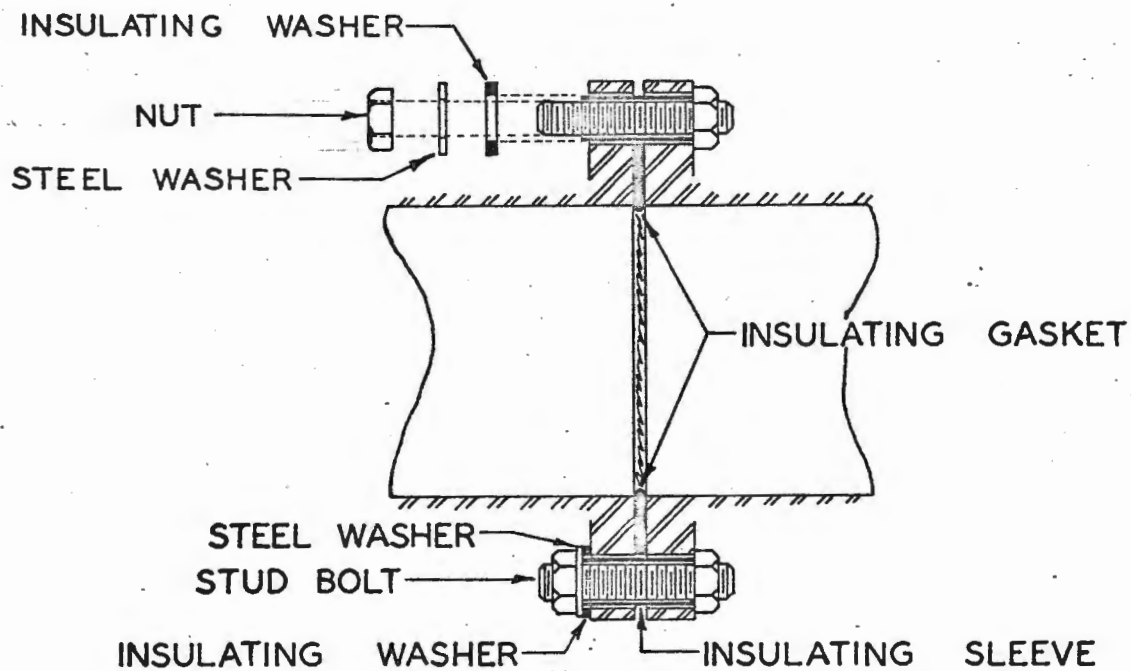


FIGURE NO. 5



TYPE F-ASA 150# INSULATING KIT

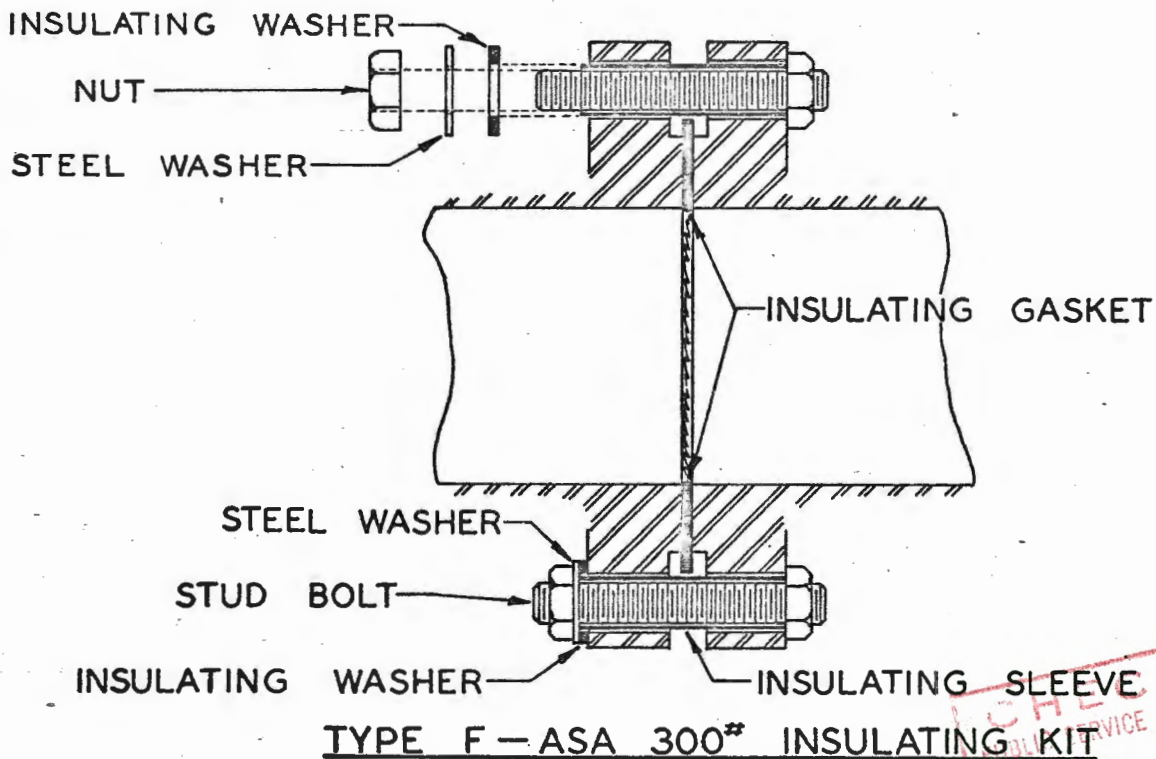
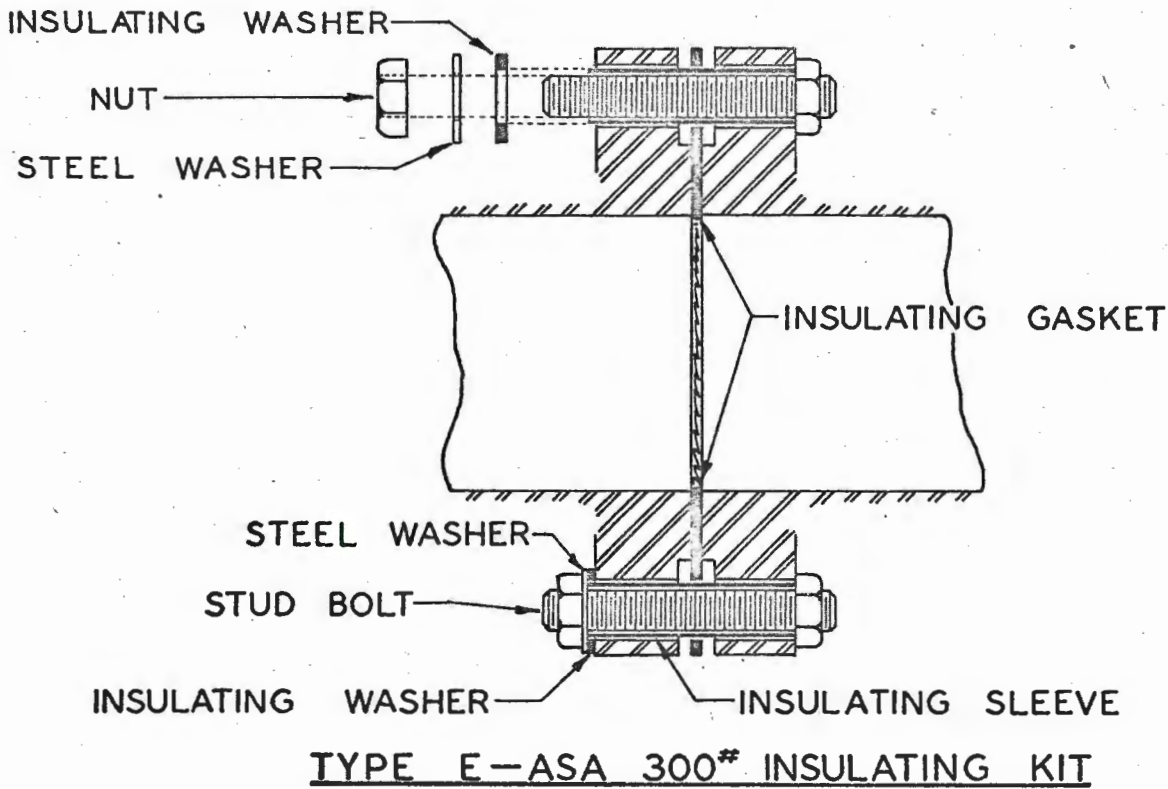
TYPE F-ASA 150# INSULATING KIT TO BE
 USED WITH FLAT FACE FLANGES WHEN SYSTEM
 PRESSURE RATING IS 200# OR LESS.

TIGHTEN NUTS OPPOSITE INSULATING WASHERS
 WHEN POSSIBLE.

MAKE SURE OF PERFECT ALIGNMENT OF BOLT HOLES.

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FIGURE NO.6



- TYPE E OR TYPE F -ASA 300# INSULATING KIT TO BE USED WITH RAISED FACE FLANGES WHEN SYSTEM PRESSURE RATING IS GREATER THAN 200#.
- TIGHTEN NUTS OPPOSITE INSULATING WASHER WHEN POSSIBLE.
- MAKE SURE OF PERFECT ALIGNMENT OF BOLT HOLES.

FIGURE NO. 7

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6.4

The following discussion of corrosion and corrosion prevention is presented for the information and guidance of all concerned.

Prevention of Corrosion in Underground Piping

Corrosion is the predominate cause of leaks in underground gas service pipe. The rate of corrosion cannot be predicted accurately and varies widely with the different types of soils and sub-surface conditions. This corrosion of underground piping is not to be confused with ordinary rusting of metals; instead, it is the result of underground electrochemical currents creating galvanic cells.

A common example of a galvanic cell is the ordinary flash light battery. The electricity that lights the filament is the result of placing two dissimilar metals, carbon and zinc, in an electrolyte and connecting them externally with a wire (see Figure 8). In producing the current, the zinc (anode) is corroded and the action of the cell is similar to that found along a pipe line. After continued use, the outer shell of a dry cell battery will corrode through, forming a pit hole. In a like manner, the wall of a buried pipe may corrode through, causing a pit hole when the pipe, or a portion of it, is the anode of a galvanic cell.

A galvanic cell of this type is shown in Figure 9. The moist earth becomes the electrolyte, two areas on the surface of the pipe are the two electrodes and the pipe wall becomes the wire that completes the circuit. Where the current leaves the pipe or anodic area, the pipe will be corroded resulting in a pit hole as shown in Figure 10.

There are several conditions that will cause a galvanic cell to develop in an underground piping system. One of these could be the installation of a brass stop in a steel service line. In this galvanic cell, current will flow from the service line through the soil to the brass stop, returning through the metal to the anodic area. (See Figure 11). Where the current leaves the service line it will carry metal with it, resulting in a pit hole. A similar situation, except on a larger scale, exists when the gas service line and a copper water line are installed a short distance apart and connected together at the water heater.

Also a galvanic cell can be caused by the dissimilarity of surface conditions on the pipe. This can be caused by scratches made by using a pipe wrench or a bright surface of the shallow threads adjacent to a fitting, as shown in Figure 12. Because their relative area is small, such cells are often extremely active, thus producing rapid and severe pitting.

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A piece of new pipe installed in an old line will result in a galvanic cell, as shown in Figure 13. The new pipe, if it is relatively short, will corrode faster than the older portion. It is not the metal in the pipe wall, but rather the surface metal, rusty steel, that provides the dissimilarity of metals producing this galvanic cell.

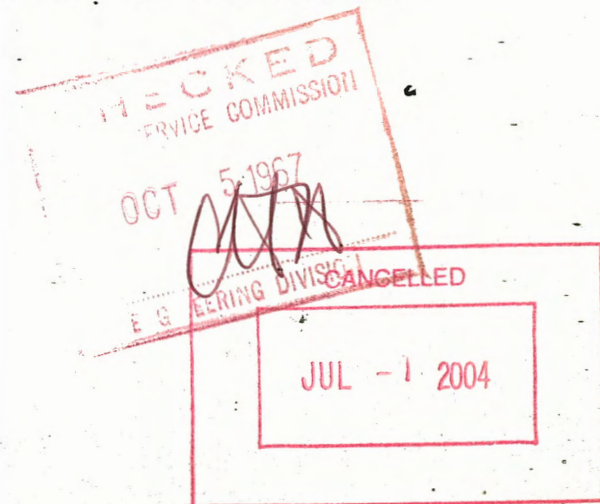
Galvanic cells can also be caused by dissimilarity of soils. This is a result of mixing the dirt from the spoil bank formed when the ditch is dug (see Figure 14). Where clods of clay touch the pipe, the tendency is for that area to become the anode of a galvanic cell, resulting in a corroded area on the pipe.

There are many conditions other than those given above that can cause galvanic cells to develop along an underground bare pipe line.

Fortunately, there are ways of practically eliminating corrosion along a pipe line. The underground pipe surface must be thoroughly covered with a good moisture resistant electrical insulating material and be connected to a protective electrical current. The source of the protective current, which is furnished by the Company for service lines installed in accordance with Item II, is a magnesium anode connected to the metal pipe with an insulated wire. The result of a properly insulated underground pipe and a properly connected anode is that the corrosion will take place on the anode and not on the pipe (see Figure 15).

Essentially, a combination of an adequate coating and a protection system gives as close to the ultimate in pipe protection as can be expected in today's underground pipe line installations.

The Company again recommends that the customer install mill coated pipe on all new or replacement services. It is also suggested that any portion of a house line (piping from the outlet side of the meter) that is underground, be wrapped and electrically insulated as it enters the building. The underground house line piping should be cathodically protected; however, the Company does not furnish this protection for house lines.



BATTERY ACTION (GALVANIC CELL)

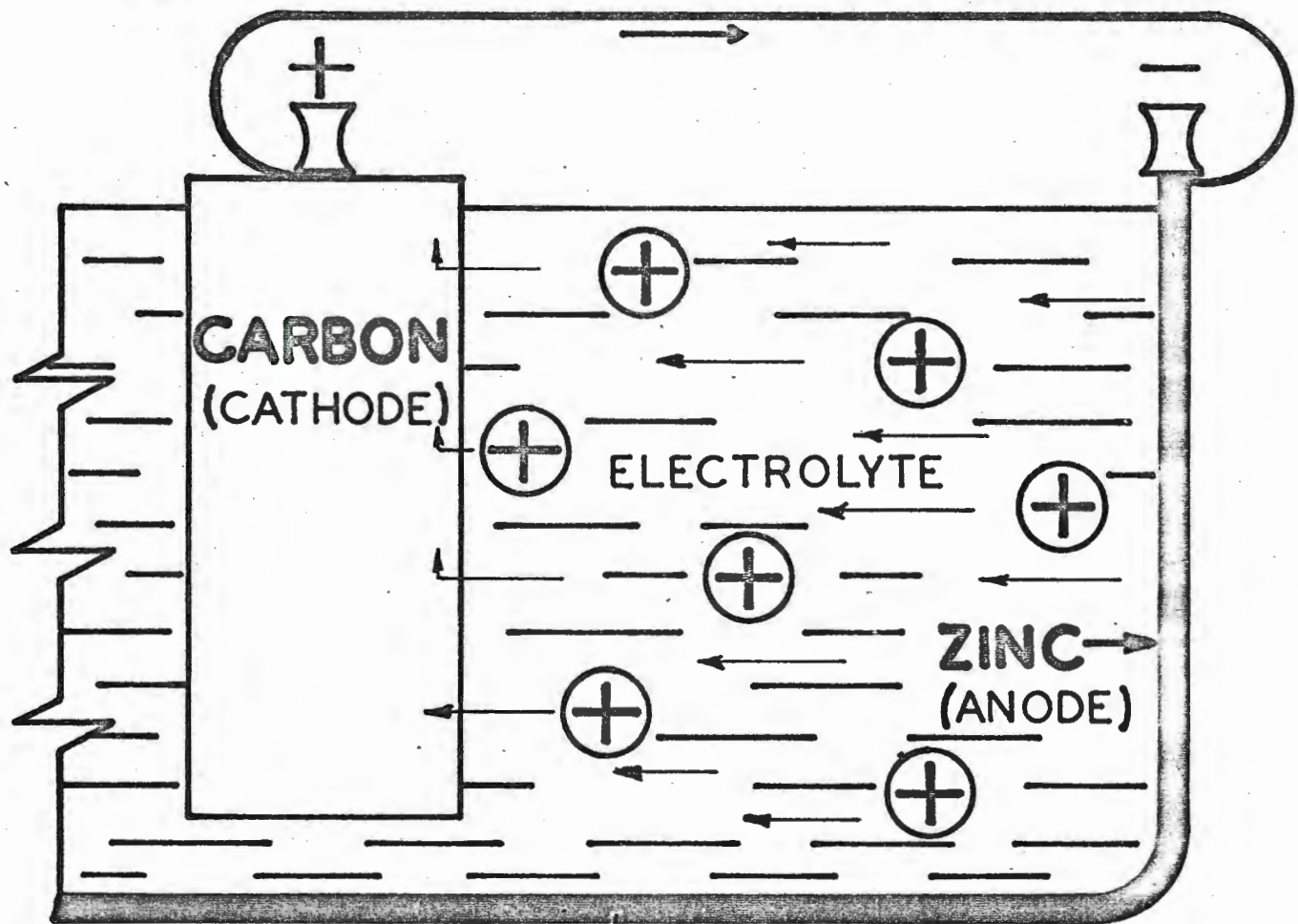
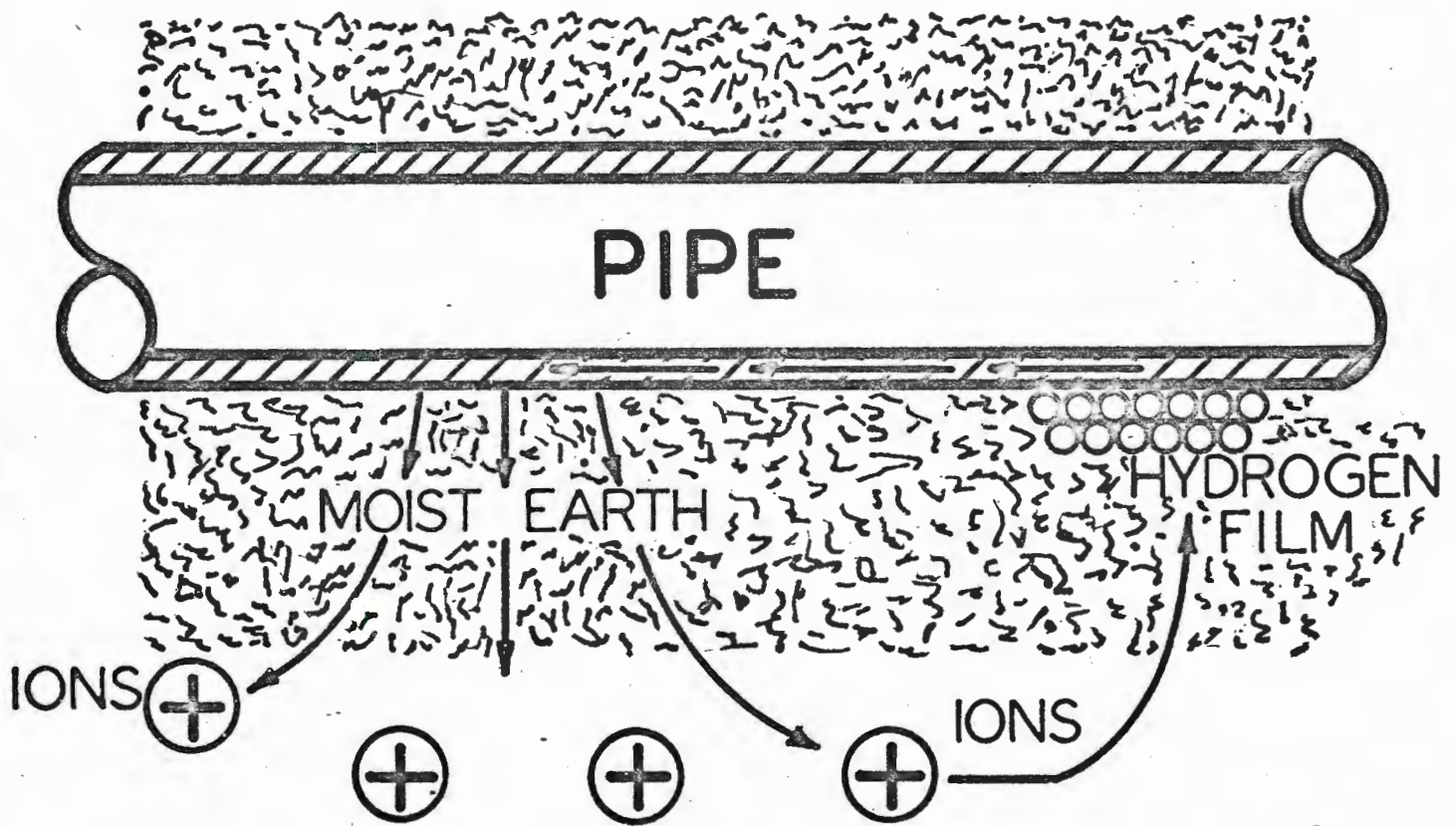


FIGURE NO. 8

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HYDROGEN ION



IONS IN MOTION CONSTITUTE AN
ELECTRIC CURRENT

FIGURE NO. 9

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PIT ACTION

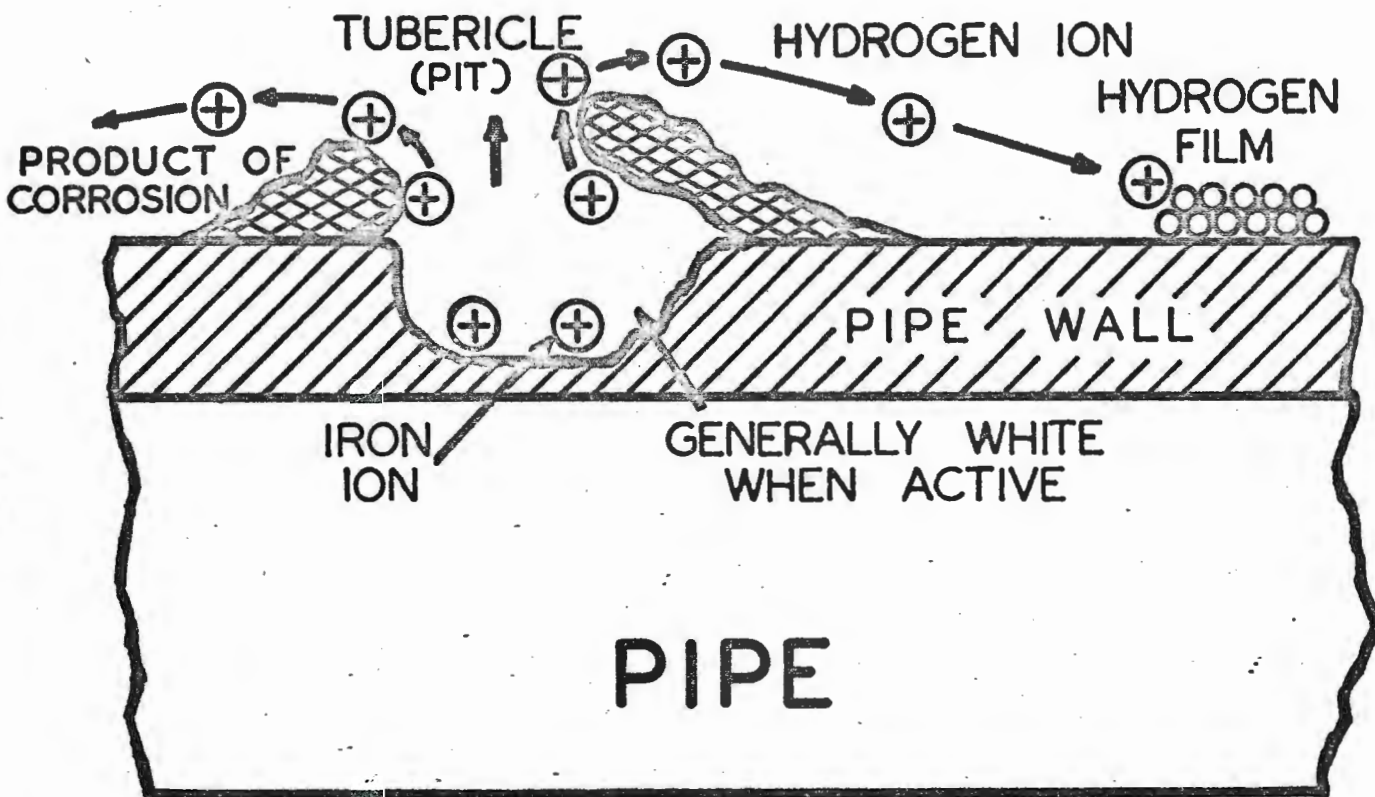


FIGURE NO. 10

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CORROSION CAUSED BY DISSIMILAR METALS

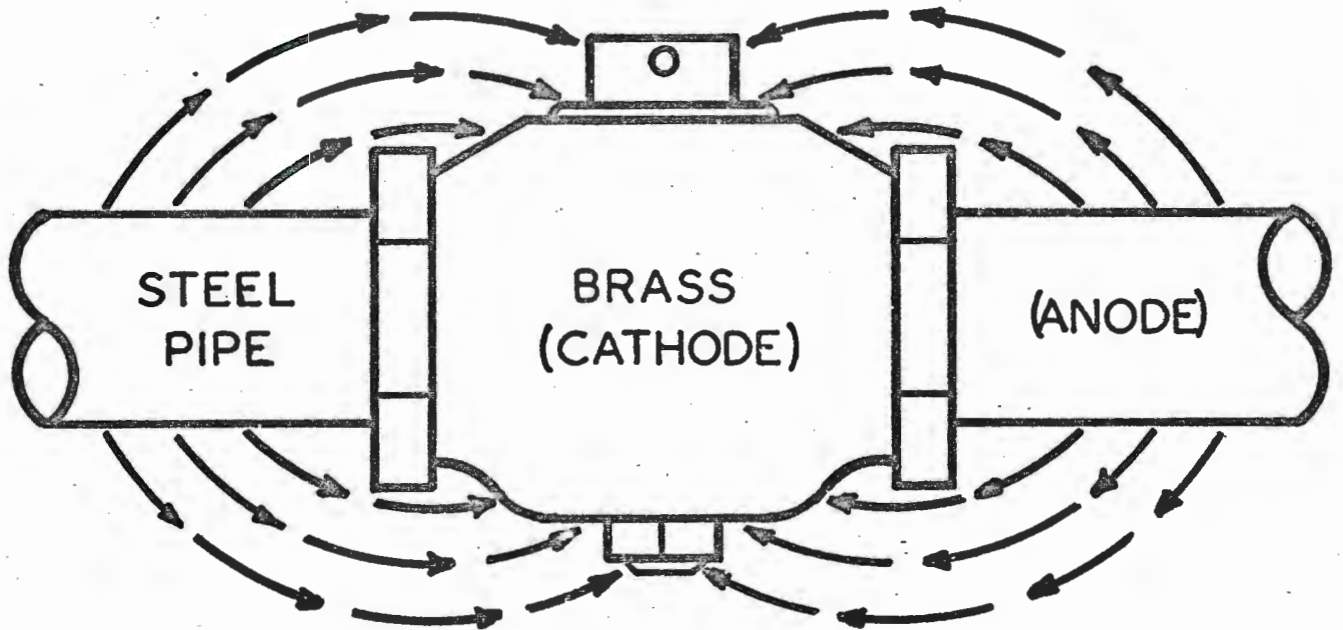


FIGURE NO. II

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CORROSION CAUSED BY DISSIMILARITY OF SURFACE CONDITIONS

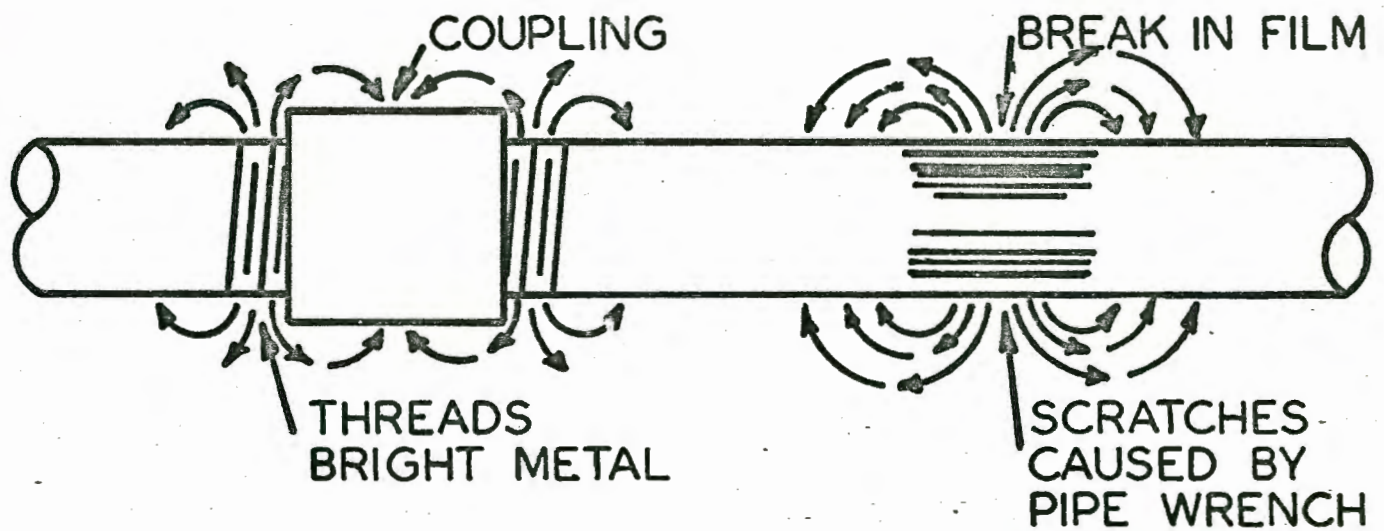


FIGURE NO. 12

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CORROSION DUE TO DISSIMILAR METAL

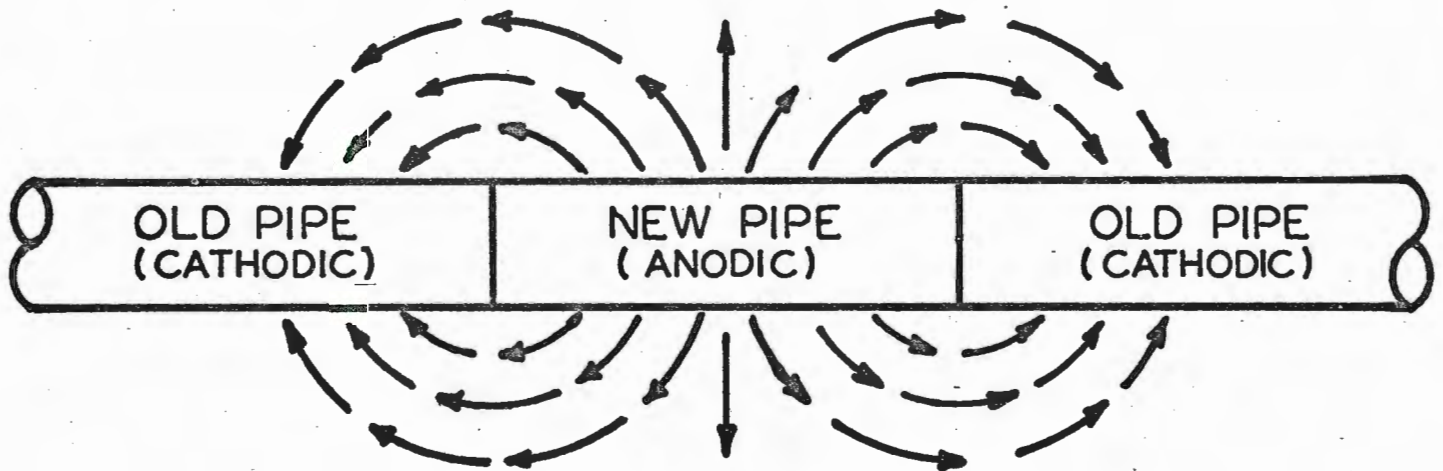


FIGURE NO.13

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CORROSION CAUSED BY MIXTURE OF DIFFERENT SOIL

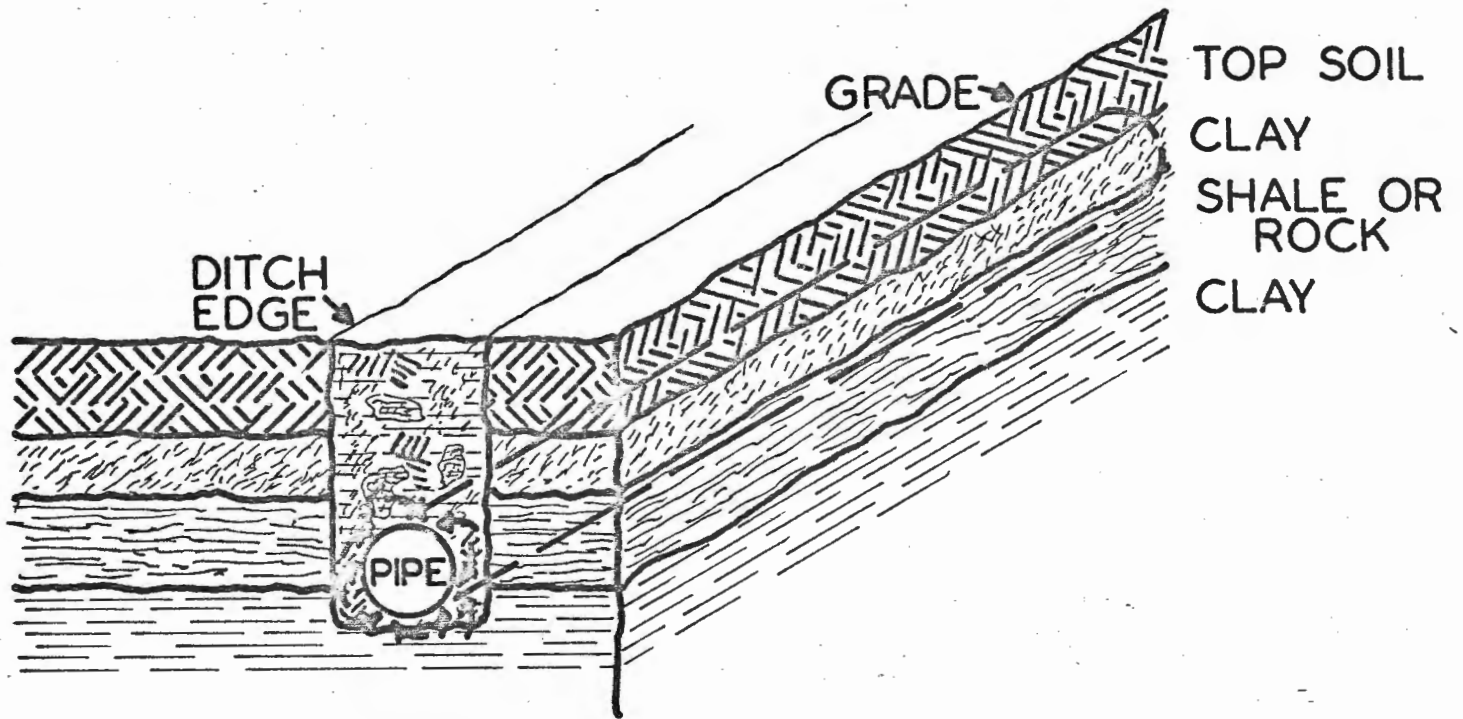
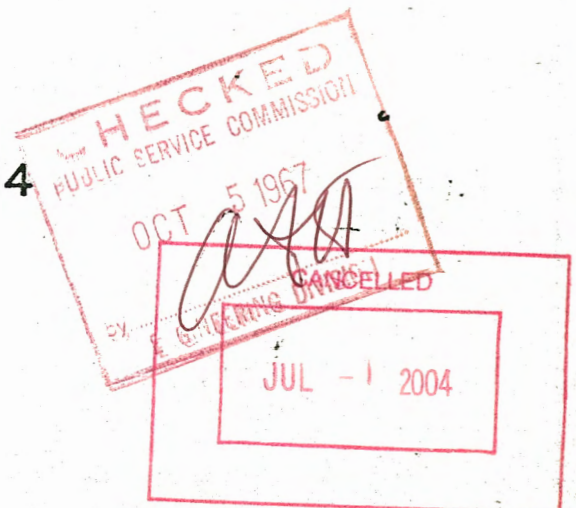


FIGURE NO. 14



CATHODIC PROTECTION MAGNESIUM ANODE

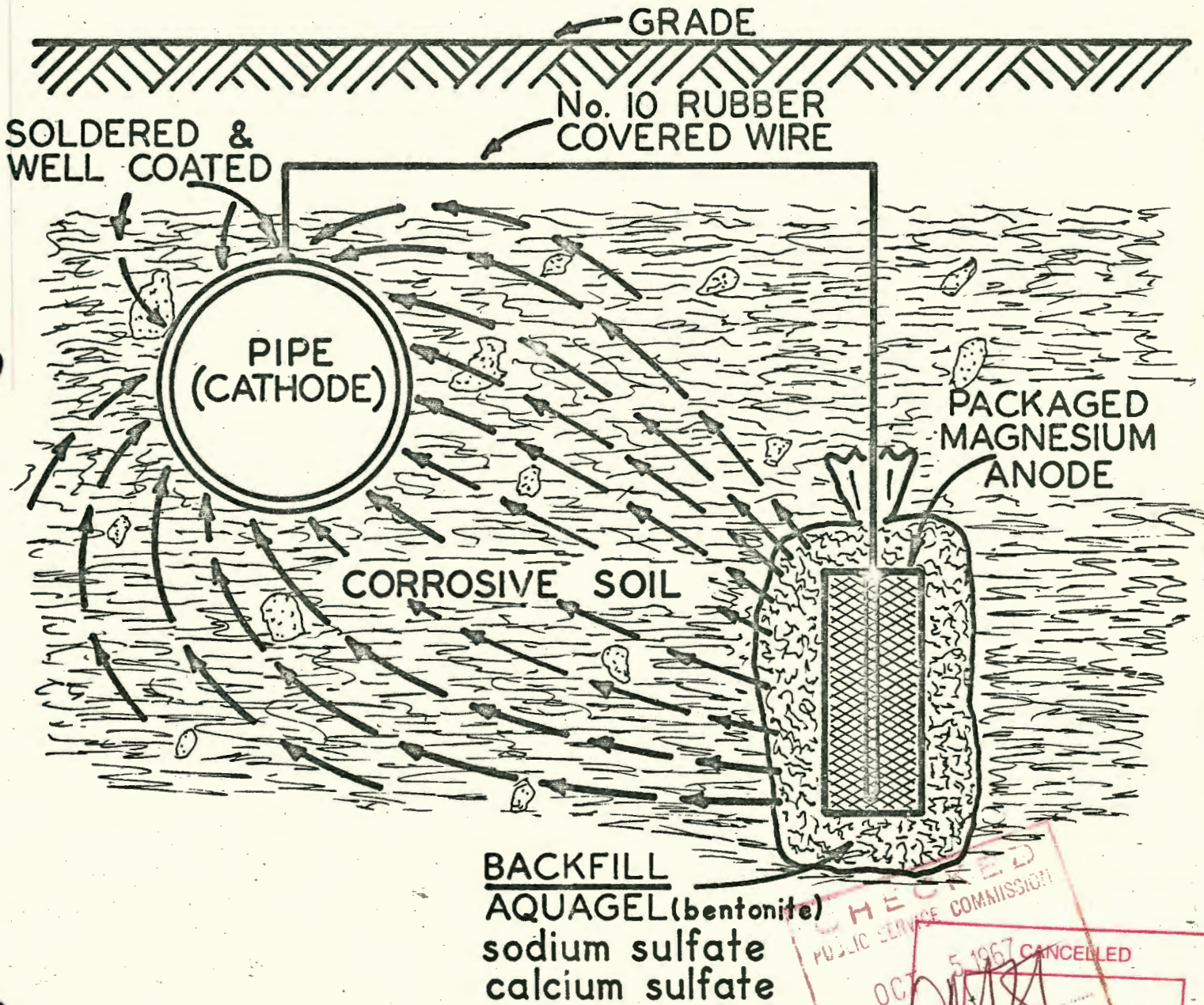


FIGURE NO. 15

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