

Louisville Gas and Electric Company

P.S.C. Gas No. 11, Original Sheet No. 59.5

Standard Rate Rider

PS-TS-2
Pooling Service – Rider TS-2

NOMINATIONS AND NOMINATED VOLUME (continued)

Such volumes nominated by TS-2 Pool Manager shall include an allowance for Company's system average lost and unaccounted for gas ("LAUFG") expressed as a percentage and based on historical levels. Effective November 1, 2016, such LAUFG percentage is 2.69%. Such LAUFG percentage shall be revised annually each November 1 with notice provided to TS-2 Pool Manager at least thirty (30) days prior to such November 1. The volumes delivered by the TS-2 Pool Manager to Company for redelivery to Customers in the TS-2 Pool will be increased by TS-2 Pool Manager to cover the effective LAUFG percentage. For example, if the Customers in a TS-2 Pool require 325 Mcf on a given day, and the LAUFG percentage is 5.0%, then the Mcf nominated shall be 342 Mcf $[325 / (1 - 0.05)]$. The 342 Mcf shall be converted to MMBtu using a standard conversion factor as may be specified by Company from time to time. Such amount does not include any retention by the Pipeline Transporter. The volume nominated by the TS-2 Pool Manager to cover LAUFG shall not be considered in determining whether or not the TS-2 Pool Manager has exceeded the Pool Maximum Daily Quantity ("PMDQ") for the TS-2 Pool.

SUPPLIER CODE OF CONDUCT

Each PS-TS-2 Pool Manager participating in the Company's transportation program under Rider PS-TS-2 must:

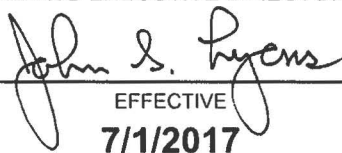
1. communicate to participating Customers in clear, understandable terms the Customer's rights and responsibilities. This communication must include (a) the PS-TS-2 Pool Manager's customer service address and local or toll-free telephone number; and (b) a statement describing the PS-TS-2 Pool Manager's dispute resolution procedures;
2. provide in writing pricing and payment terms that are clearly defined and understandable and that inform consumers whether the price that the Customer will pay is inclusive or exclusive of applicable taxes, and Company approved tariff riders and surcharges;
3. refrain from engaging in communications or promotional practices which are fraudulent, deceptive, or misleading;
4. deliver gas to the Company on a firm basis on behalf of the Customers enrolled in the PS-TS-2 Pool Manager's pool in accordance with the requirements of the PS-TS-2 Pool Management Agreement;

01/11/17

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

KENTUCKY PUBLIC SERVICE COMMISSION
John Lyons ACTING EXECUTIVE DIRECTOR

EFFECTIVE 7/1/2017
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)