Adjustment Clause

DSM

Demand-Side Management Cost Recovery Mechanism

Current Program Incentive Structures

Residential Load Management / Demand Conservation Switch Option:

- \$5/month bill credit for June, July, August, & September per air conditioning unit or heat pump on single family home.
- \$2/month bill credit for June, July, August, & September per electric water heater or swimming pool pump on single family home.
- If new customer registers by May 31, 2012, then a \$10 gift card per airconditioning unit, heat pump, water-heater and/or swimming pool pump switch installed.
 - Customers in a tenant landlord relationship will receive the entire \$10 new customer incentive.

Multi-family Option:

- \$2/month bill credit per customer for June, July, August, & September.
- \$2/month incentive per air conditioning or heat pump switch to the premise owner for June, July, August, & September.
- If new customer registers by May 31, 2012, then a \$10 gift card per airconditioning unit or heat pump installed.
 - Customers in a tenant landlord relationship where the entire complex participates will split the new customer incentive with the property owner.
 - o Customers in a tenant landlord relationship where only a portion of the complex participates, the tenant will receive a \$5 new customer incentive.

Residential Refrigerator Removal Program

The program provides \$30 per working refrigerator or freezer.

Commercial Load Management / Demand Conservation **Switch Option**

\$5 per month bill credit for June, July, August, & September for air conditioning units up to 5 tons. An additional \$1 per month bill credit for each additional ton of air conditioning above 5 tons based upon unit rated capacity.

Customer Equipment Interface Option

The Company will offer a Load Management / Demand Response program tailored to a commercial customer's ability to reduce load. Program participants must commit to a minimum of 50KW demand reduction per control event. The Company will continue to enroll program participants until 10MW curtailable load is achieved.

\$25 per KW for verified load reduction during June July August, & September.

PUBLIC SERVICE COMMISSION

The customer will have access to at least hourly load deta-for eyer concents of the year which they remain enrolled in the program. EXECUTIVE DIRECTOR

TARIFF BRANCH

Date of Issue: April 30, 2012 Date Effective: May 31, 2012

Issued By: Lonnie E. Bellar, Vice President, State Regulation and Rates, Louisville Kantucky

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5/31/2012

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

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Louisville Gas and Electric Company

djustment Clause DSM	
Demand-Side Management Co	st Recovery Mechanism
Monthly Adjustment Factors	
D	
Residential Rate RS, Volunteer Fire Department Rate VFD, and	
Low Emission Vehicle Service LEV	Energy Charge
ESW EIMOSIGH VOINGS GGIVING EEV	<u> </u>
DSM Cost Recovery Component (DCR)	\$ 0.00147 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00154 per kWh
DSM Incentive (DSMI)	\$ 0.00007 per kWh
DSM Capital Cost Recovery Component (DCCR	
DSM Balance Adjustment (DBA) Total DSMRC for Rates RS, VFD, and LEV	\$ (<u>0.00070</u>) per kWh \$ 0.00287 per kWh
Total Downto for Mates No., VI D., and LLV	ψ 0.00207 pei kvvii
General Service Rate GS	Energy Charge
Control Vide Mate Co.	Enoigy onaige
DSM Cost Recovery Component (DCR)	\$ 0.00076 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00158 per kWh
DSM Incentive (DSMI)	\$ 0.00004 per kWh
DSM Capital Cost Recovery Component (DCCR)	DEC 3 1 2012 \$ 0.00007 per kWh
DSM Balance Adjustment (DBA) Total DSMRC for Rates GS and GRP	\$ (0.00004) per kWh KENTUCKY PUBLIC \$ 0.00241 per kWh
	SERVICE COMMISSION.
Commercial Service Under Power Service Rate PS	Energy Charge
DSM Cost Recovery Component (DCR)	\$ 0.00025 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00084 per kWh
DSM Incentive (DSMI)	\$ 0.00001 per kWh
DSM Capital Cost Recovery Component (DCCR)	
DSM Balance Adjustment (DBA)	\$ <u>0.00001</u> per kWh
Total DSMRC for Rate PS	\$ 0.00111 per kWh
Commercial Time-of-Day Secondary Service Rate (
and Commercial Time-of-Day Primary Service Rate	CTODP Energy Charge
DSM Cost Recovery Component (DCR)	\$ 0.00022 per kWh
DSM Revenues from Lost Sales (DRLS)	\$ 0.00070 per kWh
DSM Incentive (DSMI)	\$ 0.00001 per kWh
DSM Capital Cost Recovery Component (DCCR)	
DSM Balance Adjustment (DBA) Total DSMRC for Rates CTODS and CTODP	PUBLIC SERVED OR PRINTS SHON
TOTAL DOINING TOLINATES OF ODG SITU OF ODD	JEFF R. DEROUEN
	EXECUTIVE DIRECTOR
	TARIFF BRANCH
of Issue: April 30, 2012 Effective: April 1, 2012	Bunt Kirtley
d By: Lonnie E. Bellar, Vice President, State Regu	
Home Belle	5/31/2012
	PURSUANT TO 807 KAR 5:011 SECTION 9 (1)