

Louisville Gas and Electric Company

P.S.C. Electric No. 8, Original Sheet No. 87.1

Adjustment Clause

ECR

Environmental Cost Recovery Surcharge

- 2) Total E(m) (sum of each approved environmental compliance plan revenue requirement) is multiplied by the Jurisdictional Allocation Ratio to arrive at Jurisdictional E(m). Jurisdictional E(m) is multiplied by the Group 1 and Group 2 percentages of total revenues to arrive at Group 1 E(m) and Group 2 E(m). Each individual Group E(m) is reduced by current expense month ECR revenue collected through base rates of each Rate Schedule included in the applicable Group to arrive at the Net Group 1 E(m) and Net Group 2 E(m).
- 3) The Group 1 R(m) is the average of total Group 1 monthly base revenue for the 12 months ending with the current expense month. Base revenue includes the customer, energy, and lighting charges for each rate schedule included in Group 1 to which this mechanism is applicable and automatic adjustment clause revenues for the Fuel Adjustment Clause and the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 1.
- 4) The Group 2 R(m) is the average of total Group 2 monthly base non-fuel revenue for the 12 months ending with the current expense month. Base non-fuel revenue includes the customer, non-fuel energy, and demand charges for each rate schedule included in Group 2 to which this mechanism is applicable and automatic adjustment clause revenues for the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 2. Non-fuel energy is equal to the tariff energy rate for each rate schedule included in Group 2 less the base fuel factor as defined on Sheet No. 85.1, Paragraph 6.
- 5) Current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

CANCELLED

FEB 29 2012

KENTUCKY PUBLIC
SERVICE COMMISSION

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH

Brent Kirtley

Date of Issue: December 21, 2011

Date Effective: December 16, 2011

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

Lonnie E. Bellar

EFFECTIVE

1/1/2012

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

Issued by Authority of an Order of the KPSC in Case No. 2011-00162 dated December 15, 2011