

Louisville Gas and Electric Company

P.S.C. Electric No. 7, Original Sheet No. 85.1

Adjustment Clause

FAC

Fuel Adjustment Clause

- (4) Sales (S) shall be all kWh's sold, excluding inter-system sales. Where, for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in subsection (2)(d) above, less (vi) total system losses. Utility used energy shall not be excluded in the determination of sales (S).
- (5) The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of FERC Uniform System of Accounts for Public Utilities and Licensees.
- (6) Base (b) period shall be the twelve (12) months ending October 2006 and the base fuel factor is \$0.01703 per kWh.
- (7) Current (m) period shall be the second month preceding the month in which the Fuel Clause Adjustment Factor is billed.
- (8) Pursuant to the Public Service Commission's Order in Case No. 2006-00510 dated October 31, 2007, the Fuel Adjustment Clause will become effective with bills rendered on and after the first billing cycle of December 2007.

CANCELLED
JUN 29 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/6/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Date of Issue: February 9, 2009

Date Effective: With Bills Rendered On and After December 31, 2007

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

By *[Signature]* / 9, 2009
Executive Director

Issued by Authority of an Order of the KPSC in Case No. 2006-00510 dated October 31, 2007