

Louisville Gas and Electric Company 220 West Main Street P.O. Box 32010 Louisville, Kentucky 40232

October 15, 1991

USAARMC and Fort Knox Attn: ATZK-DC Fort Knox, Kentucky 40121-5000

Attention: Purchasing and Contracting Officer

Dear Sir:

In a letter dated January 15, 1991, you were advised that the Public Service Commission of Kentucky had, on December 21, 1990, issued its Order in Case No. 90-158 approving new gas and electric rates for Louisville Gas and Electric Company (LG&E) effective January 1, 1991. The Company filed a Petition for Rehearing and, on January 29, 1991, the Commission entered an Order granting a rehearing on certain limited issues.

The Commission, after consideration of the rehearing issues and by its Order dated September 30, 1991, authorized additional revenues and new gas and electric rates, including the rates contained in the power contract designated Contract W2215-ENG-1291, as heretofore amended and modified.

Therefore, effective September 30, 1991, service rendered under Contract W2215-ENG-1291 will be billed under the rates set forth on the attached **"Fort Knox Electric Rate."**

All other provisions of the contract not specifically mentioned herein remain the same as those in effect prior to the date of the Commission's Order.

If you have any further questions regarding this matter, please contact me.

Respectfully, mald & Battesta

Ronald L. Battista Account Executive

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

SEP 30 1991

PURSUANT TO 807 KAR 5:011. SECTION 9(1) <u> Human belle</u> BY: PUBLIC SERVICE COMMISSION MANAGE

A SUBSIDIARY OF

LG8ENERGY

RLB:mlg

Attachment

LOUISVILLE GAS AND ELECTRIC COMPANY

FORT KNOX ELECTRIC RATE

Effective September 30, 1991

Availability:

Available for electric service as hereinafter described to the Fort Knox Military Reservation. This rate schedule does not apply to the separately-served Muldraugh Pumping Plant.

Rate :

<u>Demand Charge</u>: <u>Winter Rate</u>: (Applicable during 8 monthly billing periods of October through May)

All kilowatts of billing demand \$6.33 per Kw per month

<u>Summer Rate</u>: (Applicable during 4 monthly billing periods of June through September)

Energy Charge: All kilowatt-hours per month 2.506¢ per Kwh

Determination of Billing Demand :

The billing demand for the month shall be the highest average load in kilowatts occurring during any 15-minute interval in the month as shown by maximum demand instrument, but not less than 50% of the maximum demand similarly delivered during the eleven preceding months, nor less than a minimum billing demand of 5,000 kilowatts.

Power Factor Provision:

The monthly demand charge shall be decreased .4% for each whole one percent by which the monthly average power factor exceeds 80% lagging and shall be increased .6% for each whole one percent by which the monthly average power factor is less than 80% lagging.

<u>Fuel Clause</u>: The monthly amount computed in accordance with the provisions service toommission above shall be increased or decreased at a rate per kilowatt-hour of monthly **Constantional Effective** tion in accordance with the following formula:

Adjustment Factor = $F/S - 1.319c^*$

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PURSUANT TO 807 KAR 5:011.

Where F is the expense of fuel in the second preceding month and S is the sales in the in second preceding month, as defined below: