

Louisville Gas and Electric Company

P.S.C. Gas No. 10, Second Revision of Original Sheet No. 86.6
 Canceling P.S.C. Gas No. 10, First Revision of Original Sheet No. 86.6

Adjustment Clause **DSM**
Demand-Side Management Cost Recovery Mechanism

Monthly Adjustment Factors:

**Residential Gas Service Rate RGS and
 Volunteer Fire Department Service Rate VFD**

Energy Charge

DSM Cost Recovery Component (DCR)	\$ 0.01788 per Ccf	
DSM Revenues from Lost Sales (DRLS)	\$ 0.00079 per Ccf	
DSM Incentive (DSMI)	\$ 0.00083 per Ccf	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per Ccf	
DSM Balance Adjustment (DBA)	\$ (0.00866) per Ccf	I
Total DSMRC for Rates RGS and VFD	\$ 0.01084 per Ccf	I

**Firm Commercial Gas Service Rate CGS,
 As-Available Gas Service Rate AAGS,*
 and Firm Transportation Service Rate FT***

Energy Charge

DSM Cost Recovery Component (DCR)	\$ 0.00086 per Ccf	
DSM Revenues from Lost Sales (DRLS)	\$ 0.00000 per Ccf	
DSM Incentive (DSMI)	\$ 0.00000 per Ccf	
DSM Capital Cost Recovery Component (DCCR)	\$ 0.00000 per Ccf	
DSM Balance Adjustment (DBA)	\$ (0.00029) per Ccf	I
Total DSMRC for Rates CGS, AAGS, and FT	\$ 0.00057 per Ccf	I

* This charge does not apply to industrial customers taking service under these rates because the Company currently does not offer industrial DSM programs.

C12/30/16

DATE OF ISSUE: February 29, 2016
DATE EFFECTIVE: March 31, 2016
ISSUED BY: /s/ Robert M. Conroy, Vice President
 State Regulation and Rates
 Louisville, Kentucky

KENTUCKY PUBLIC SERVICE COMMISSION
James W. Gardner ACTING EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 3/31/2016 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)