Louisville Gas and Electric Company

P.S.C. Gas No. 11, Original Sheet No. 21

Standard Rate

SGSS **Substitute Gas Sales Service**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Service under this rate schedule is required for any commercial or industrial customer that is physically connected to the facilities of any other provider of natural gas, bio-gas, native gas, methane, or other gaseous fuels, such other providers to include, but not be limited to, another natural gas local distribution company, public, private, or municipal; a producer, gatherer, or transmitter of natural gas; an interstate or intrastate natural gas pipeline; or any other entity (including the Customer itself acting in any one or more of these roles) that provides natural gas or natural gas service to residential, commercial, industrial, public authority, or any other type of customers which might otherwise receive natural gas from Company. In the event that such Customer desires to continue to receive natural gas service from Company and/or declines to allow Company to remove Company's facilities hitherto used to provide natural gas service to Customer, then Customer shall be obligated to take service under Rate SGSS.

Company shall not be obligated to make modifications or additions to its gas system to serve loads under this rate schedule.

Company may decline to serve customers using gas to generate electricity in standby or other applications under this rate schedule.

Customers shall be classified as commercial or industrial in accordance with the definitions set forth in either Rate CGS or Rate IGS, as applicable to customer's primary gas use.

RATE

For commercial customers, the following charges shall apply:

Basic Service Charge per month:

\$285.00 per delivery point

Plus a Demand Charge per Mcf of Monthly Billing Demand:

\$6.0400

Plus a Charge per Mcf: Distribution Charge Gas Supply Cost Component Total Charge per Mcf:

\$0.3600 4.4310 \$4,7910

KENTUCKY PUBLIC

DATE OF ISSUE:

July 7, 2017

DATE EFFECTIVE: July 1, 2017

ISSUED BY:

/s/ Robert M. Conroy, Vice President

State Regulation and Rates

Louisville, Kentucky

Issued by Authority of an Order of the **Public Service Commission in Case No.** 2016-00371 dated June 22, 2017 and modified June 29, 2017

KENTUCKY PUBLIC SERVICE COMMISSION

John Lyons ACTING EXECUTIVE DIRECTOR

EFFECTIVE

7/1/2017 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Louisville Gas and Electric Company

P.S.C. Gas No. 11, Original Sheet No. 21.1

Standard Rate

SGSS

Substitute Gas Sales Service

RATE (continued)

For industrial customers, the following charges shall apply:

Basic Service Charge per month:

\$750.00 per delivery point

Plus a Demand Charge per Mcf of Monthly Billing Demand:

\$10.90

Plus a Charge per Mcf:

Distribution Charge

\$0.2992

Gas Supply Cost Component

4.4310

Total Charge per Mcf:

The "Gas Supply Cost Component" as shown above is the cost per Mcf determined in accordance with the Gas Supply Clause set forth on Sheet Nos. 85 of this Tariff. The Performance-Based Ratemaking Mechanism, set forth on Sheet Nos. 87, is included as a component of the Gas Supply Clause as shown on Sheet No. 85 of this Tariff.

MAXIMUM DAILY QUANTITY

Company shall provide firm natural gas sales service to Customer at a single Point of Delivery up to the Maximum Daily Quantity ("MDQ"). The MDQ for any Customer taking service under this rate schedule when it first becomes effective will be 70% of the highest daily volume projected by Company for the Customer in the forecasted test year used by Company in Case No. 2016-00371. For all other Customers taking service under this rate schedule, Customer and Company may mutually agree to establish the level of the MDQ; provided, however, that in the event that Customer and Company cannot agree upon the MDQ, then the level of the MDQ shall be equal to 70% of the highest daily volume used by Customer during the twelve (12) months prior to the date that Customer began receiving natural gas from another supplier with which Customer is physically connected; in the event that such daily gas usage is not available, then the MDQ shall be equal 70% of to the Customer's average daily use for the highest month's gas use in the twelve (12) months prior to the date that Customer began receiving natural gas from another supplier with which Customer is physically connected; in no case shall the MDQ be greater than 5,000 Mcf/day.

Service by Company to Customer in excess of the MDQ shall be provided by Company on an interruptible basis. The maximum hourly volume that Company shall be obligated to deliver to Customer shall not exceed 1/16th of the MDQ.

MONTHLY BILLING DEMAND

The Monthly Billing Demand shall be the greater of (1) the MDQ, (2) the highest daily volume of gas delivered during the current month, or (3) 70% of the highest daily volume of gas delivered during the previous eleven (11) monthly billing periods. The term "day" or "daily" shall mean the period of time corresponding to the gas day as observed by the Pipeline Transporter as adjusted for local time.

Regardless of the Monthly Billing Demand established by Customer, Company's obligation to provide firm natural gas sales service up to the MDQ shall be limited to the MDQ.

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