



a PPL company

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
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**Louisville Gas and
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State Regulation and Rates
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December 29, 2011

**Re: Louisville Gas and Electric Company -
Gas Supply Clause Effective February 1, 2012**

RECEIVED

DEC 29 2011

**PUBLIC SERVICE
COMMISSION**

Dear Mr. DeRouen:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and ten copies of the Sixth Revision of Original Sheet No. 85 of LG&E Tariff PSC Gas No. 8 setting forth a Gas Supply Cost Component of 47.423 cents per 100 cubic feet applicable to all gas sold during the period of February 1, 2012 through April 30, 2012. In addition, we file herewith a corresponding number of copies of "Supporting Calculations for the Gas Supply Clause."

Also enclosed herewith is a summary of our gas service rates effective for the period of February 1, 2012 through April 30, 2012.

Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 of 6 and 6 of 6.

This filing represents expected gas costs for the three-month period February 1, 2012 through April 30, 2012. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on November 1, 2011. These adjustment levels will remain in effect from February 1, 2012 through April 30, 2012.

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
December 29, 2011

We respectfully request your acceptance of this filing which we believe is in full compliance with the provisions of the LG&E Gas Supply Clause approved by the Kentucky Public Service Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Conroy". The signature is stylized with a large, prominent "C" and a long horizontal stroke extending to the right.

Robert M. Conroy

Enclosures

Louisville Gas and Electric Company

P.S.C. Gas No. 8, Sixth Revision of Original Sheet No. 85
 Canceling P.S.C. Gas No. 8, Fifth Revision of Original Sheet No. 85

Adjustment Clause	GSC	
Gas Supply Clause		
APPLICABLE TO		
All gas sold.		
 GAS SUPPLY COST COMPONENT (GSCC)		
Gas Supply Cost	\$0.46572	R
Gas Cost Actual Adjustment (GCAA)	(0.00078)	R
Gas Cost Balance Adjustment (GCBA)	0.00034	R
Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:		
Refund Factor Effective May 1, 2011	(0.00043)	T/R
Refund Factor Effective August 1, 2011	(0.00043)	T
Refund Factor Effective November 1, 2011	(0.00044)	T
Refund Factor Effective February 1, 2012	<u>(0.00041)</u>	T/I
Total Refund Factor	(0.00171)	R
 Performance-Based Rate Recovery Component (PBRRC)	 <u>0.01066</u>	 I
 Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	 \$0.47423	 R

Date of Issue: December 29, 2011

Date Effective: February 1, 2012

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

Issued By Authority of an Order of the KPSC in Case No. _____ dated _____

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2011-00XXX

For the Period

February 1, 2012 through April 30, 2012

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After February 1, 2012

2011-00XXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	52,172,914
Total Expected Customer Deliveries: February 1, 2012 through April 30, 2012	Mcf	11,202,749
Gas Supply Cost Per Mcf	\$/Mcf	4.6572
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	46.572

Gas Cost Actual Adjustment (GCAA) - See Exhibit B for Detail

Description	Unit	Amount
Current Quarter Actual Adjustment	Eff. February 1, 2012 (Case No. 2011-00228)	¢/Ccf (0.658)
Previous Quarter Actual Adjustment	Eff. November 1, 2011 (Case No. 2011-00119)	¢/Ccf (0.092)
2nd Previous Qrt Actual Adjustment	Eff. August 1, 2011 (Case No. 2010-00525)	¢/Ccf 0.543
3rd Previous Qrt Actual Adjustment	Eff. May 1, 2011 (Case No. 2010-00387)	¢/Ccf 0.129
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(0.078)

Gas Cost Balance Adjustment (GCBA) - See Exhibit C for Detail

Description	Unit	Amount
Balance Adjustment Amount	\$	(37,653)
Total Expected Customer Deliveries: February 1, 2012 through April 30, 2012	Mcf	11,202,749
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	0.0034
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	0.034

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Refund Factor Effective:		
Current Quarter Refund Factor	Eff. February 1, 2012	¢/Ccf (0.041)
1st Previous Quarter Refund Factor	Eff. November 1, 2011	¢/Ccf (0.044)
2nd Previous Quarter Refund Factor	Eff. August 1, 2011	¢/Ccf (0.043)
3rd Previous Quarter Refund Factor	Eff. May 1, 2011	¢/Ccf (0.043)
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	(0.171)

Performance-Based Rate Recovery Component (PBRR) - See Exhibit E for Detail

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	1.066
Total of PBRR Factors Per 100 Cubic Feet	¢/Ccf	1.066

Gas Supply Cost Component (GSCC) Effective February 1, 2012 through April 30, 2012

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	46.572
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	(0.078)
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	0.034
Refund Factors (RF)	¢/Ccf	(0.171)
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	1.066
Total Gas Supply Cost Component (GSCC)	¢/Ccf	47.423

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From February 1, 2012 through April 30, 2012

	February	March	April	Total Feb12 thru Apr12
MMBtu				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	732,708	507,488	1,768,505	3,008,701
2. Expected Gas Supply Transported Under Texas' Rate FT	290,000	170,000	300,000	760,000
3. Expected Gas Supply Transported Under Texas' Rate STF	0	0	0	0
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	1,160,000	1,240,000	0	2,400,000
5. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	0	0	0	0
6. Total MMBtu Purchased	2,182,708	1,917,488	2,068,505	6,168,701
7. Plus: Withdrawals from Texas Gas' NNS Storage Service	394,400	167,400	0	561,800
8. Less: Injections into Texas Gas' NNS Storage Service	0	0	756,900	756,900
9. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	2,577,108	2,084,888	1,311,605	5,973,601
Mcf				
10. Total Purchases in Mcf	2,129,471	1,870,720	2,018,054	
11. Plus: Withdrawals from Texas Gas' NNS Storage Service	384,780	163,317	0	
12. Less: Injections Texas Gas' NNS Storage Service	0	0	738,439	
13. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	2,514,251	2,034,037	1,279,615	
14. Plus: Customer Transportation Volumes under Rate TS	10,897	8,206	6,172	
15. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 13 + Line 14)	2,525,148	2,042,243	1,285,787	
16. Less: Purchases for Depts. Other Than Gas Dept.	3,307	1,587	642	
17. Less: Purchases Injected into LG&E's Underground Storage	0	0	0	
18. Mcf Purchases Expensed during Month (Line 13 - Line 16 - Line 17)	2,510,944	2,032,450	1,278,973	5,822,367
19. LG&E's Storage Inventory - Beginning of Month	8,320,001	5,340,001	3,150,001	
20. Plus: Storage Injections into LG&E's Underground Storage (Line 17)	0	0	0	
21. LG&E's Storage Inventory - Including Injections	8,320,001	5,340,001	3,150,001	
22. Less: Storage Withdrawals from LG&E's Underground Storage	2,940,638	2,156,738	771,267	5,868,643
23. Less: Storage Losses	39,362	33,262	28,733	101,357
24. LG&E's Storage Inventory - End of Month	5,340,001	3,150,001	2,350,001	
25. Mcf of Gas Supply Expensed during Month (Line 18 + Line 22 + Line 23)	5,490,944	4,222,450	2,078,973	11,792,367
Cost				
26. Total Demand Cost - Including Transportation (Line 15 x Line 48)	\$2,076,177	\$1,679,132	\$1,057,174	
27. Less: Demand Cost Recovered thru Rate TS (Line 14 x Line 48)	8,960	6,747	5,075	
28. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$2,067,217	\$1,672,385	\$1,052,099	
29. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 49)	2,425,996	1,698,918	5,998,062	
30. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 50)	938,527	556,342	994,830	
31. Commodity Costs - Gas Supply Under Rate STF (Line 3 x Line 51)	0	0	0	
32. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 4 x Line 52)	3,723,252	4,024,296	0	
33. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 5 x Line 53)	0	0	0	
34. Total Purchased Gas Cost	\$9,154,992	\$7,951,941	\$8,044,991	\$25,151,924
35. Plus: Withdrawals from NNS Storage (Line 7 x Line 49)	1,305,858	560,405	0	1,866,263
36. Less: Purchases Injected into NNS Storage (Line 8 x Line 49)	0	0	2,567,102	2,567,102
37. Total Cost of Gas Delivered to LG&E	\$10,460,850	\$8,512,346	\$5,477,889	\$24,451,085
38. Less: Purchases for Depts. Other Than Gas Dept (Line 16 x Line 54)	13,759	6,642	2,748	23,149
39. Less: Purchases Injected into LG&E's Storage (Line 17 x Line 54)	0	0	0	0
40. Pipeline Deliveries Expensed During Month	\$10,447,091	\$8,505,704	\$5,475,141	\$24,427,936
41. LG&E's Storage Inventory - Beginning of Month	\$38,666,373	\$24,817,121	\$14,639,315	
42. Plus: LG&E Storage Injections (Line 39 above)	0	0	0	
43. LG&E's Storage Inventory - Including Injections	\$38,666,373	\$24,817,121	\$14,639,315	
44. Less: LG&E Storage Withdrawals (Line 22 x Line 55)	13,666,321	10,023,224	3,584,386	\$27,273,931
45. Less: LG&E Storage Losses (Line 23 x Line 55)	182,931	154,582	133,534	471,047
46. LG&E's Storage Inventory - End of Month	\$24,817,121	\$14,639,315	\$10,921,395	
47. Gas Supply Expenses (Line 40 + Line 44 + Line 45)	\$24,296,343	\$18,683,510	\$9,193,061	\$52,172,914
Unit Cost				
48. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.8222	\$0.8222	\$0.8222	
49. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$3.3110	\$3.3477	\$3.3916	
50. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$3.2363	\$3.2726	\$3.3161	
51. Commodity Cost (per MMBtu) under Texas Gas's Rate STF	\$3.7392	\$3.7755	\$3.3469	
52. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$3.2097	\$3.2454	\$3.2577	
53. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$3.2269	\$3.2625	\$3.3154	
54. Average Cost of Deliveries (Line 37 / Line 13)	\$4.1606	\$4.1850	\$4.2809	
55. Average Cost of Inventory - Including Injections (Line 43 / Line 21)	\$4.6474	\$4.6474	\$4.6474	
Gas Supply Cost				
56. Total Expected Mcf Deliveries (Sales) to Customers (February 1, 2012 through April 30, 2012)				11,202,749 Mcf
57. Current Gas Supply Cost (Line 47 / Line 56)				\$4.6572 / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
For The Three-Month Period From February 1, 2012 through April 30, 2012

Demand Billings:

Texas Gas No-Notice Service (Rate NNS) Monthly Demand Charge	(	\$12.7642	x	119,913	MMBtu	) x 12	\$18,367,122
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$5.4500	x	10,000	MMBtu	) x 12	654,000
Texas Gas Firm Transportation (Rate STF) Monthly Demand Charge	(	\$6.2178	x	10,542	MMBtu	) x 12	786,577
Tenn. Gas Firm Transportation (Rate FT-A, 0-2) Monthly Demand Charge	(	\$6.4640	x	40,000	MMBtu	) x 12	3,102,720
Tenn. Gas Firm Transportation (Rate FT-A, 1-2) Monthly Demand Charge	(	\$6.4640	x	11,000	MMBtu	) x 12	853,248
Long-Term Firm Contracts with Suppliers (Annualized)							4,192,876

ANNUAL DEMAND COSTS

\$27,956,543

Expected Annual Deliveries from Pipeline Transporters 34,850,083
(Including Transportation Under Rate TS) - MMBtu

Expected Annual Deliveries from Pipeline Transporters 34,000,081
(Including Transportation Under Rate TS) - Mcf

AVERAGE DEMAND COST PER MCF

\$0.8222

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
For The Three-Month Period From February 1, 2012 through April 30, 2012

Pipeline Supplier's Demand Component per Mcf \$0.8222

Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D) 0.0171

Performance Based Rate Recovery Component (see Exhibit E) 0.0715

Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation \$0.9108

Daily Demand Charge Component of Utilization Charge For Daily Imbalances under Rates FT and PS-FT

Design Day Requirements (in Mcf) 444,861

(Annual Demand Costs / Design Day Requirements / 365 Days) - 100% Load Factor Rate \$0.1722

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2011-00XXX

Gas Supply Cost Effective February 1, 2012

LG&E is served by Texas Gas Transmission, LLC ("TGT") pursuant to the terms of the transportation agreements under Rate Schedules NNS-4, FT-4, and STF-4. LG&E is served by Tennessee Gas Pipeline Company, LLC ("TGPL") pursuant to the terms of a transportation agreement under Rate Schedule FT-A-2. Both TGT and TGPL are subject to regulation by the Federal Energy Regulatory Commission ("FERC").

Texas Gas Transmission, LLC

Texas Gas's No-Notice Service (NNS-4)

On August 17, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2393 to reflect the most current FERC Annual Charge Adjustment ("ACA") to be effective beginning October 1, 2011. The new ACA rate is a decrease of \$0.0001 per MMBtu from the current rate of \$0.0019 per MMBtu to \$0.0018 per MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1(a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 which will be applicable on and after February 1, 2012. The tariffed rates are as follows: (a) a daily demand charge of \$0.4190/MMBtu, and (b) a commodity charge of \$0.0632/MMBtu.

LG&E has negotiated rate agreements applicable to all three NNS service agreements that result in a monthly demand charge applicable to LG&E of \$12.7642/MMBtu and a volumetric throughput charge ("commodity charge") applicable to LG&E of \$0.0632/MMBtu.

Texas Gas's Firm Transportation Service (FT-4)

On August 17, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2393 to reflect the most current FERC Annual Charge Adjustment ("ACA") to be effective beginning October 1, 2011. The new ACA rate is a decrease of \$0.0001 per MMBtu from the current rate of \$0.0019 per MMBtu to \$0.0018 per MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1(a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 which will be applicable on and after February 1, 2012. Page 2 contains the tariff sheet which sets forth the TGT daily demand charges. Page 3 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows: (a) a daily demand charge of \$0.3142/MMBtu, and (b) a commodity charge of \$0.0526/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$5.4500/MMBtu and an annual volumetric throughput charge (“commodity charge”) applicable to LG&E of \$0.0218/MMBtu.

Texas Gas’s Short-Term Firm Service (STF-4)

On June 6, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2177 to clarify how backhaul rates are determined and the process that shippers follow to utilize segmentation of their backhaul capacity. On August 17, 2011, TGT submitted tariff sheets to the FERC in Docket No. RP11-2393 to reflect the most current FERC Annual Charge Adjustment (“ACA”) to be effective beginning October 1, 2011. The new ACA rate is a decrease of \$0.0001 per MMBtu from the current rate of \$0.0019 per MMBtu to \$0.0018 per MMBtu. TGT did not otherwise modify its existing rates or otherwise affect the rights or duties of customers.

Attached hereto as Exhibit A-1 (a), Page 4, is the sheet for Short-Term Firm Service under Rate STF-4 which will be applicable on and after February 1, 2012. The tariffed rates are as follows: for the winter season, (a) a daily demand charge of \$ \$0.4701/MMBtu, and (b) a commodity charge of \$0.0526/MMBtu; and for the summer season, (a) a daily demand charge of \$0.2042/MMBtu, and (b) a commodity charge of \$0.0526.

LG&E has negotiated rate agreements that result in the following charges: a weighted-average monthly demand charge of \$6.2178/MMBtu; a winter season commodity-only rate of \$0.5247/MMBtu and a summer season commodity rate of \$0.0526/MMBtu.

Tennessee Gas Pipeline Company

On November 30, 2010, in FERC Docket RP11-1566, TGPL filed for a general increase in rates and for changes to certain terms and conditions of service. On December 29, 2010, FERC issued an order suspending the effectiveness of the proposed changes in rates and terms until June 1, 2011. On April 29, 2011, TGPL filed revised fuel rates in Docket No. RP11-2066-000 and proposed that the tariff sheets be placed into effect on June 1, 2011, contemporaneously with the effectiveness (subject to refund) of the increase in base rates specified in FERC’s December 29 order. The Commission accepted the rates to be effective June 1, 2011, subject to refund, and established a hearing procedure. The chief judge subsequently issued an order consolidating TGPL’s fuel tracker rate filing (Docket No. RP11-2066) with TGPL’s rate case (Docket No. RP11-1566). Following a period for discovery and settlement discussions which ultimately resolved the issues in the case, on September 30, 2011, TGPL filed a settlement in that same docket resolving all the issues in that and related dockets. There were no opposing parties. On November 2, 2011, the settlement was certified by the presiding Administrative Law Judge. On September 30, 2011, TGPL also filed an interim settlement which became effective November 1, 2011. Rates from both the settlement and interim settlement are identical. On November 10, 2011, TGPL filed in RP12-144 to restate its FERC Tariff to reflect a change in its name from “Tennessee Gas Pipeline Company” to “Tennessee Gas Pipeline Company, LLC”. That filing incorporates the settlement rates filed on September 30, 2011. On December 5, 2011, FERC

issued an order approving the uncontested settlement as fair and reasonable. TGPL is subject to a rate moratorium through November 1, 2015.

TGPL's Firm Transportation Service (FT-A-2)

Attached hereto as Exhibit A-1 (a), Pages 5, and 6, are the tariff sheets for transportation service under Rate FT-A, which will be applicable on and after February 1, 2012. Page 5 contains the tariff sheet which sets forth the monthly demand charges and Page 6 contains the tariff sheet which sets forth the commodity charges. The tariffed rates are as follows for deliveries from Zone 0 to Zone 2: (a) a monthly demand charge of \$16.3405/MMBtu, and (b) a commodity charge of \$0.0372/MMBtu. The tariffed rates are as follows for deliveries from Zone 1 to Zone 2: (a) a monthly demand charge of \$11.1329/MMBtu, and (b) a commodity charge of \$0.0312/MMBtu.

LG&E has negotiated rate agreements that result in a monthly demand charge applicable to LG&E of \$6.4640/MMBtu and an annual commodity rate of \$0.0352/MMBtu for deliveries from Zone 0 to Zone 2, and \$0.0322/MMBtu for deliveries from Zone 1 to Zone 2.

Gas Supply Costs

The New York Mercantile Exchange ("NYMEX") natural gas futures prices as of December 28, 2011, are \$3.121/MMBtu for February, \$3.148/MMBtu for March, and \$3.208/MMBtu for April. The average of the NYMEX close and the six preceding trading days has been used as a general price indicator.

The wholesale natural gas market is not price-regulated and is subject to the forces of supply and demand, as well as psychological factors that can affect the market. Among the forces that are presumably affecting the price of natural gas are:

- National gas storage inventories are 7% higher compared to the same period one year ago;¹
- Economic recovery could boost the demand for natural gas in the industrial sector;
- New domestic supplies from unconventional shale gas plays continue to come on line;
- New pipelines are delivering new natural gas supplies to marketplace;

¹ The weekly gas storage survey issued by the Energy Information Administration ("EIA") for the week ending December 16, 2011, indicated that storage inventory levels were 7% higher than last year's levels. Storage inventories across the nation are 235 Bcf (3,629 Bcf – 3,394 Bcf), or 7%, higher this year than the same period one year ago. Last year at this time, 3,394 Bcf was held in storage, while this year 3,629 Bcf is held in storage. Storage inventories across the nation are 387 Bcf (3,629 Bcf – 3,242 Bcf), or 12%, higher this year than the five-year average. On average for the last five years at this time, 3,242 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas tend to cause increases in the expected price of natural gas.

- Gas-fired electric generation loads will boost weather-driven demand for natural gas; and
- Gas supply disruptions could boost prices.

During the three-month period under review, February 1, 2012 through April 30, 2012, LG&E estimates that its total purchases will be 5,973,601 MMBtu. LG&E expects that 2,813,601 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (3,008,701 MMBtu in pipeline deliveries less 195,100 MMBtu in net storage injections); 760,000 MMBtu will be met from deliveries under TGT's pipeline service under Rate FT; 0 MMBtu will be met from deliveries under TGT's pipeline service under Rate STF; 2,400,000 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0; 0 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 1.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the NNS service is expected to be \$3.1020 per MMBtu in February 2012, \$3.1370 in March 2012, and \$3.1790 in April 2012. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the FT service is expected to be \$3.1020 per MMBtu in February 2012, \$3.1370 in March 2012, and \$3.1790 in April 2012. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the STF service is expected to be \$3.1020 per MMBtu in February 2012, \$3.1370 in March 2012, and \$3.1790 in April 2012. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL under Rate FT-A from its Zone 0 is expected to be \$3.1120 per MMBtu in February 2012, \$3.1470 in March 2012, and \$3.1590 in April 2012; and the average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL from its Zone 1 is expected to be \$3.1420 per MMBtu in February 2012, \$3.1770 in March 2012, and \$3.2290 in April 2012.

Set forth below are the commodity costs as delivered to LG&E after giving effect to TGT's and TGPL's commodity charges for transporting the gas under Rates NNS, FT, STF, and FT-A and the applicable retention percentages:

	RATE NNS SYSTEM SUPPLY PURCHASE PRICE PER MMBTU <u>UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE</u>			
	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RATE NNS RETENTION (TO ZONE 4)</u>	<u>TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
February 2012	\$3.1020	4.49%	\$0.0632	\$3.3110
March 2012	\$3.1370	4.49%	\$0.0632	\$3.3477
April 2012	\$3.1790	4.49%	\$0.0632	\$3.3916

RATE FT
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
February 2012	\$3.1020	3.50%	\$0.0218	\$3.2363
March 2012	\$3.1370	3.50%	\$0.0218	\$3.2726
April 2012	\$3.1790	3.50%	\$0.0218	\$3.3161

RATE STF
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S SHORT-TERM FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE 1 TO 4)</u>	<u>RATE STF TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
February 2012	\$3.1020	3.50%	\$0.5247	\$3.7392
March 2012	\$3.1370	3.50%	\$0.5247	\$3.7755
April 2012	\$3.1790	3.50%	\$0.0526	\$3.3469

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENNESSEE GAS'S FIRM
TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TENN. GAS</u>	<u>RETENTION (TO ZONE 2)</u>	<u>RATE FT-A TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Zone 0				
February 2012	\$3.1120	1.97%	\$0.0352	\$3.2097
March 2012	\$3.1470	1.97%	\$0.0352	\$3.2454
April 2012	\$3.1590	1.97%	\$0.0352	\$3.2577

Zone 1

February 2012	\$3.1420	1.65%	\$0.0322	\$3.2269
March 2012	\$3.1770	1.65%	\$0.0322	\$3.2625
April 2012	\$3.2290	1.65%	\$0.0322	\$3.3154

The annual demand billings covering the 12 months from February 1, 2012 through January 31, 2013, for the firm contracts with natural gas suppliers are currently expected to be \$4,192,876.

Rate FT and Rate PS-FT

The demand-related supply costs applicable to the Daily Utilization Charge under Rates FT and PS-FT applicable during the three-month period of February 1, 2012 through April 30, 2012 are set forth on Exhibit A, Page 2.

Any revenue collected from the application of these charges will flow directly into the Gas Supply Cost Actual Adjustment (“GCAA”) in future Gas Supply Clause filings. Therefore, the revenue collected through application of these charges will reduce the total Gas Supply Cost Component (“GSCC”) charged to LG&E’s sales customers.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: October 1, 2011

Section 4.4
Currently Effective Rates - NNS
Version 4.0.0

Currently Effective Maximum Transportation Rates (\$ per MMBtu)
For Service Under Rate Schedule NNS

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
Zone SL			
Daily Demand	0.1800		0.1800
Commodity	0.0253	0.0018	0.0271
Overrun	0.2053	0.0018	0.2071
Zone 1			
Daily Demand	0.2782		0.2782
Commodity	0.0431	0.0018	0.0449
Overrun	0.3213	0.0018	0.3231
Zone 2			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0018	0.0478
Overrun	0.3548	0.0018	0.3566
Zone 3			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0018	0.0508
Overrun	0.4033	0.0018	0.4051
Zone 4			
Daily Demand	0.4190		0.4190
Commodity	0.0614	0.0018	0.0632
Overrun	0.4804	0.0018	0.4822

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0163
Zone 1 0.0186
Zone 2 0.0223
Zone 3 0.0262
Zone 4 0.0308

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 6.16 of the General Terms and Conditions.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental transportation charge of:

Daily Demand	\$0.1288
Commodity	\$0.0068
Overrun	\$0.1356

These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: October 1, 2011

Section 4.1
Currently Effective Rates - FT
Version 5.0.0

Currently Effective Maximum Daily Demand Rates (\$ per MMBtu)
For Service Under Rate Schedule FT

Currently Effective Rates [1]

SL-SL	0.0794
SL-1	0.1552
SL-2	0.2120
SL-3	0.2494
SL-4	0.3142
1-1	0.1252
1-2	0.1820
1-3	0.2194
1-4	0.2842
2-2	0.1332
2-3	0.1705
2-4	0.2334
3-3	0.1181
3-4	0.1810
4-4	0.1374

Minimum Rates: Demand \$-0-

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

[1] Currently Effective Rates are equal to the Base Tariff Rates.

Notes:

- The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 6.16 of the General Terms and Conditions.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: October 1, 2011

Section 4.1
Currently Effective Rates - FT
Version 5.0.0

Currently Effective Maximum Commodity Rates (\$ per MMBtu)
For Service Under Rate Schedule FT

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
SL-SL	0.0104	0.0018	0.0122
SL-1	0.0355	0.0018	0.0373
SL-2	0.0399	0.0018	0.0417
SL-3	0.0445	0.0018	0.0463
SL-4	0.0528	0.0018	0.0546
1-1	0.0337	0.0018	0.0355
1-2	0.0385	0.0018	0.0403
1-3	0.0422	0.0018	0.0440
1-4	0.0508	0.0018	0.0526
2-2	0.0323	0.0018	0.0341
2-3	0.0360	0.0018	0.0378
2-4	0.0446	0.0018	0.0464
3-3	0.0312	0.0018	0.0330
3-4	0.0398	0.0018	0.0416
4-4	0.0360	0.0018	0.0378

Minimum Rates: Commodity minimum base rates are presented in Section 4.12.

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Notes:

- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Commodity charge of \$0.0068. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Texas Gas Transmission, LLC
FERC NGA Gas Tariff
Fourth Revised Volume No. 1
Effective On: July 7, 2011

Section 4.2
Currently Effective Rates - STF
Version 4.0.0

**Currently Effective Maximum Transportation Rates (\$ per MMBtu)
For Service under Rate Schedule STF**

	<u>Peak (Winter)-Demand</u>	<u>Off-Peak (Summer)-Demand</u>
	<u>Currently Effective Rates [1]</u>	<u>Currently Effective Rates [1]</u>
SL-SL	0.1188	0.0516
SL-1	0.2322	0.1009
SL-2	0.3172	0.1378
SL-3	0.3731	0.1621
SL-4	0.4701	0.2042
1-1	0.1873	0.0814
1-2	0.2723	0.1183
1-3	0.3282	0.1426
1-4	0.4252	0.1847
2-2	0.1992	0.0866
2-3	0.2551	0.1108
2-4	0.3492	0.1517
3-3	0.1766	0.0768
3-4	0.2707	0.1177
4-4	0.2056	0.0893

Backhaul rates equal forward haul rates from Zone SL to zone of delivery; provided, however, that intra-zone rates shall apply to intra-zone transportation, whether such intra-zone transportation is forward haul or backhaul.

Notes:

- The STF commodity rate is the applicable FT commodity rate in Section 4.1.
The STF overrun rate equals the daily demand rate plus applicable FT commodity rate.
Minimum rate: Demand \$-0- The minimum commodity rate is presented in Section 4.12.
- For receipts from Duke Field Services' Carthage Plant/Gulf South Pipeline Company, LP, Enbridge Pipelines, L.P./Gulf South Pipeline Company, LP, Energy Transfer Company/Gulf South Pipeline Company, LP, and Enterprise Texas Pipeline L.P./Gulf South Pipeline Company, LP interconnects in Panola County, Texas, Customer shall pay an incremental Daily Demand charge of \$0.1288. These receipt points are available to those customers agreeing to pay the incremental rate(s) applicable to such points and are not available for pooling under Rate Schedule TAPS.

Tennessee Gas Pipeline Company, L.L.C.
FERC NGA Gas Tariff
Sixth Revised Volume No. 1

Fourth Revised Sheet No. 14
Superseding
Third Revised Sheet No. 14

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

=====

Base Reservation Rates		DELIVERY ZONE							
RECEIPT									
ZONE	0	L	1	2	3	4	5	6	
0	\$5.7504		\$12.1229	\$16.3405	\$16.6314	\$18.3503	\$19.4843	\$24.4547	
L		\$5.0941							
1	\$8.7060		\$8.3414	\$11.1329	\$15.8114	\$15.6260	\$17.6356	\$21.6916	
2	\$16.3406		\$11.0654	\$5.7084	\$5.3300	\$6.8689	\$9.4859	\$12.2575	
3	\$16.6314		\$8.7447	\$5.7553	\$4.1249	\$6.4085	\$11.6731	\$13.4872	
4	\$21.1425		\$19.4839	\$7.3648	\$11.2429	\$5.4700	\$5.9240	\$8.4896	
5	\$25.2282		\$17.6984	\$7.7303	\$9.3742	\$6.0880	\$5.7043	\$7.4396	
6	\$29.1846		\$20.3275	\$13.9551	\$15.3850	\$10.8692	\$5.6613	\$4.8846	

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT									
ZONE	0	L	1	2	3	4	5	6	
0	\$0.1891		\$0.3986	\$0.5372	\$0.5468	\$0.6033	\$0.6406	\$0.8040	
L		\$0.1675							
1	\$0.2862		\$0.2742	\$0.3660	\$0.5198	\$0.5137	\$0.5798	\$0.7131	
2	\$0.5372		\$0.3638	\$0.1877	\$0.1752	\$0.2258	\$0.3119	\$0.4030	
3	\$0.5468		\$0.2875	\$0.1892	\$0.1356	\$0.2107	\$0.3838	\$0.4434	
4	\$0.6951		\$0.6406	\$0.2421	\$0.3696	\$0.1798	\$0.1948	\$0.2791	
5	\$0.8294		\$0.5819	\$0.2541	\$0.3082	\$0.2002	\$0.1875	\$0.2446	
6	\$0.9595		\$0.6683	\$0.4588	\$0.5058	\$0.3573	\$0.1861	\$0.1606	

Maximum Reservation Rates 2/		DELIVERY ZONE							
RECEIPT									
ZONE	0	L	1	2	3	4	5	6	
0	\$5.7504		\$12.1229	\$16.3405	\$16.6314	\$18.3503	\$19.4843	\$24.4547	
L		\$5.0941							
1	\$8.7060		\$8.3414	\$11.1329	\$15.8114	\$15.6260	\$17.6356	\$21.6916	
2	\$16.3406		\$11.0654	\$5.7084	\$5.3300	\$6.8689	\$9.4859	\$12.2575	
3	\$16.6314		\$8.7447	\$5.7553	\$4.1249	\$6.4085	\$11.6731	\$13.4872	
4	\$21.1425		\$19.4839	\$7.3648	\$11.2429	\$5.4700	\$5.9240	\$8.4896	
5	\$25.2282		\$17.6984	\$7.7303	\$9.3742	\$6.0880	\$5.7043	\$7.4396	
6	\$29.1846		\$20.3275	\$13.9551	\$15.3850	\$10.8692	\$5.6613	\$4.8846	

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions of \$0.0000 Daily Reservation.

Tennessee Gas Pipeline Company, L.L.C.
FERC NGA Gas Tariff
Sixth Revised Volume No. 1

Fifth Revised Sheet No. 15
Superseding
Fourth Revised Sheet No. 15

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.2751	\$0.2625	\$0.3124
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.2339	\$0.2385	\$0.2723
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0757	\$0.1214	\$0.1345
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.1012	\$0.1400	\$0.1528
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0468	\$0.0662	\$0.1073
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0659	\$0.0653	\$0.0811
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.1014	\$0.0549	\$0.0334

Minimum
Commodity Rates 1/, 2/, 3/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0080		\$0.0247	\$0.0372	\$0.0457	\$0.0534	\$0.0604	\$0.0727
L		\$0.0040						
1	\$0.0100		\$0.0179	\$0.0312	\$0.0376	\$0.0451	\$0.0547	\$0.0632
2	\$0.0362		\$0.0191	\$0.0039	\$0.0072	\$0.0132	\$0.0223	\$0.0305
3	\$0.0445		\$0.0366	\$0.0070	\$0.0020	\$0.0183	\$0.0261	\$0.0348
4	\$0.0534		\$0.0429	\$0.0191	\$0.0227	\$0.0073	\$0.0112	\$0.0200
5	\$0.0604		\$0.0547	\$0.0223	\$0.0261	\$0.0111	\$0.0111	\$0.0147
6	\$0.0727		\$0.0632	\$0.0305	\$0.0348	\$0.0188	\$0.0094	\$0.0051

Maximum
Commodity Rates 1/, 2/, 3/, 4/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0080		\$0.0247	\$0.0372	\$0.0457	\$0.3035	\$0.2945	\$0.3505
L		\$0.0040						
1	\$0.0100		\$0.0179	\$0.0312	\$0.0376	\$0.2580	\$0.2676	\$0.3055
2	\$0.0362		\$0.0191	\$0.0039	\$0.0072	\$0.0833	\$0.1337	\$0.1507
3	\$0.0445		\$0.0366	\$0.0070	\$0.0020	\$0.1114	\$0.1543	\$0.1713
4	\$0.0534		\$0.0429	\$0.0191	\$0.0227	\$0.0513	\$0.0728	\$0.1181
5	\$0.0604		\$0.0547	\$0.0223	\$0.0261	\$0.0724	\$0.0718	\$0.0892
6	\$0.0727		\$0.0632	\$0.0305	\$0.0348	\$0.1116	\$0.0602	\$0.0365

Notes:

- 1/ Includes a per Dth charge for (ACA) Annual Charge Adjustment of \$0.0018
- 2/ The applicable F&LR's determined pursuant to Article XXXVII of the General Terms and Conditions are listed on Sheet No. 32. For service that is rendered entirely by displacement, Shipper shall render only the quantity of gas associated with Losses of 0.09%.
- 3/ Includes a per Dth charge for EPCR Adjustment per Article XXXVIII of the General Terms and Conditions and listed on Sheet No. 33.
- 4/ Includes a per Dth charge for the Hurricane Surcharge Adjustment per Article XXXIX of the General Terms and Conditions and listed on Sheet No. 34.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2011-00XXX

Calculation of Gas Cost Actual Adjustment (GCAA)

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of over-recovery from Case Number 2011-00228 during the three-month period of August 1, 2011 through October 31, 2011, was \$2,079,269. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a credit of 0.658¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after February 1, 2012, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from August through October 2011. [Please note that the names of the suppliers have been redacted from this page, in accordance with LG&E's petition for confidentiality filed this quarter.]

Also in this filing, LG&E will be eliminating the GCAA from Case Number 2010-00263, with service rendered through January 31, 2012, which will have been in effect for twelve months. Any over- or under-recovery of the amount originally established in this GCAA will be transferred to the Gas Cost Balance Adjustment (GCBA) which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after the month of February 2012.

Therefore, the Gas Cost Actual Adjustment will be as follows:

Current Quarter Actual Adjustment:	
Effective February 1, 2012 from 2011-00228	(0.658) cents/Ccf
Previous Quarter Actual Adjustment:	
Effective November 1, 2011 from 2010-00119	(0.092) cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective August 1, 2011 from 2010-00525	0.543 cents/Ccf
3rd Previous Quarter Actual Adjustment:	
Effective May 1, 2011 from 2010-387	0.129 cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	(0.078) cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation of Gas Cost Actual Adjustment
Which Compensates for Over- or Under-
Recoveries of Gas Supply Costs

Start Date	End Date	Case Number	(1) Cost Recovery Under GSC Compared to Actual Gas Supply Costs			(4) Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries				
			(2) Total Dollars of Gas Cost Recovered ¹	(3) Gas Supply Cost Per Books ²	(3) Over Or (Under) Recovery (1) - (2)	(4) Expected Mcf Sales for 12- Month Period From Date Implemented	(5) GCAA Per Mcf	(6) GCAA Per 100 Cu. Ft.	(7) Implemented With Service Rendered On	
May-2006	Jul-2006	1	(Case No. 2006-00138)	25,653,769	25,555,064	98,705	33,519,195	(\$0.0029)	(\$0.00029)	11/1/2006
Aug-2006	Oct-2006	1	(Case No. 2006-00335)	30,851,071	27,737,106	3,113,965	33,575,288	(\$0.0927)	(\$0.00927)	2/1/2007
Nov-2006	Jan-2007	2	(Case No. 2006-00431)	117,566,789	121,616,960	(4,050,171)	33,784,429	\$0.1199	\$0.01199	5/1/2007
Feb-2007	Apr-2007	3	(Case No. 2007-00001)	96,196,128	109,420,254	(13,224,126)	33,829,123	\$0.3909	\$0.03909	8/1/2007
May-2007	Jul-2007	4	(Case No. 2007-00141)	25,771,197	22,055,021	3,716,176	32,562,833	(\$0.1141)	(\$0.01141)	11/1/2007
Aug-2007	Oct-2007	5	(Case No. 2007-00267)	27,831,017	22,940,375	4,890,642	32,561,210	(\$0.1502)	(\$0.01502)	2/1/2008
Nov-2007	Jan-2008	6	(Case No. 2007-00428)	131,149,323	138,564,724	(7,415,401)	32,334,823	\$0.2293	\$0.02293	5/1/2008
Feb-2008	Apr-2008	7	(Case No. 2007-00559)	103,258,883	119,589,310	(16,330,427)	32,320,126	\$0.5053	\$0.05053	8/1/2008
May-2008	Jul-2008	8	(Case No. 2008-00117)	33,383,585	42,952,739	(9,569,154)	31,639,729	\$0.3024	\$0.03024	11/1/2008
Aug-2008	Oct-2008	9	(Case No. 2008-00246)	50,053,758	28,898,124	21,155,634	31,498,657	(\$0.6716)	(\$0.06716)	2/1/2009
Nov-2008	Jan-2009	10	(Case No. 2008-00430)	160,934,391	149,043,803	11,890,588	31,428,998	(\$0.3783)	(\$0.03783)	5/1/2009
Feb-2009	Apr-2009	11	(Case No. 2008-00564)	95,581,282	87,981,656	7,599,626	31,397,214	(\$0.2420)	(\$0.02420)	8/1/2009
May-2009	Jul-2009	12	(Case No. 2009-00140)	15,921,233	11,144,190	4,777,043	31,406,285	(\$0.1521)	(\$0.01521)	11/1/2009
Aug-2009	Oct-2009	13	(Case No. 2009-00248)	18,715,652	14,915,016	3,800,636	31,751,457	(\$0.1197)	(\$0.01197)	2/1/2010
Nov-2009	Jan-2010	14	(Case No. 2009-00395)	97,434,409	98,877,723	(1,443,314)	31,630,904	\$0.0456	\$0.00456	5/1/2010
Feb-2010	Apr-2010	15	(Case No. 2009-00457)	69,543,463	67,237,660	2,305,803	31,614,470	(\$0.0729)	(\$0.00729)	8/1/2010
May-2010	Jul-2010	16	(Case No. 2010-00140)	14,187,592	13,637,314	550,278	31,886,918	(\$0.0173)	(\$0.00173)	11/1/2010
Aug-2010	Oct-2010	17	(Case No. 2010-00263)	18,348,910	13,370,152	4,978,758	31,985,477	(\$0.1557)	(\$0.01557)	2/1/2011
Nov-2010	Jan-2011	18	(Case No. 2010-00387)	93,708,777	94,120,400	(411,623)	31,929,816	\$0.0129	\$0.00129	5/1/2011
Feb-2011	Apr-2011	19	(Case No. 2010-00525)	58,344,142	60,076,947	(1,732,805)	31,915,052	\$0.0543	\$0.00543	8/1/2011
May-2011	Jul-2011	20	(Case No. 2011-00119)	16,571,886	16,280,721	291,165	31,673,062	(\$0.0092)	(\$0.00092)	11/1/2011
Aug-2011	Oct-2011	21	(Case No. 2011-00228)	19,148,513	17,069,244	2,079,269	31,617,677	(\$0.0658)	(\$0.00658)	2/1/2012

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Gas Costs Recovered
 Under Company's Gas Supply Clause

	Monthly Mcf Sales ¹	May 1, 2010 through July 31, 2010	August 1, 2010 through October 31, 2010	November 1, 2010 through January 31, 2011	February 1, 2011 through April 30, 2011	May 1, 2011 through July 31, 2011	August 1, 2011 through October 31, 2011
1	2010 FEB	6,580,311					
2	MAR	5,395,810					
3	APR	2,113,814					
1	MAY	1,119,086	621,245				
2	JUN	876,895	876,895				
3	JULY	743,913	743,913				
4	AUG	662,686	280,915	381,771			
5	SEP	712,178		712,178			
6	OCT	881,009		881,009			
7	NOV	1,733,121	811,643	921,478			
8	DEC	4,910,152		4,910,152			
9	2011 JAN	7,499,514		7,499,514			
10	FEB	5,965,533		3,555,852	2,409,681		
11	MAR	4,299,476			4,299,476		
12	APR	2,828,499			2,828,499		
13	MAY	1,553,116			852,724	700,392	
14	JUN	1,037,087				1,037,087	
15	JUL	771,444				771,444	
16	AUG	770,697				345,110	425,587
17	SEP	798,228					798,228
18	OCT	1,080,900					1,080,900
19	NOV	2,056,028					1,015,706
20	Applicable Mcf Sales During 3 Month Period	2,522,968	2,786,602	16,886,997	10,390,380	2,854,033	3,320,420
21	Gas Supply Clause Case No.	2010-00140	2010-00263	2010-00387	2010-00525	2011-00119	2011-00228
22	Gas Supply Cost Recovered Per Mcf Sold	5.5515	6.4243	5.4901	5.4160	5.7439	5.7032
23	Dollars of Recovery Under GSC	\$ 14,006,257	\$ 17,901,964	\$ 92,711,302	\$ 56,274,299	\$ 16,393,278	\$ 18,937,020
24	Total Dollars Recovered During 3-Month Period						
25	Mcf of Customer-Owned Gas Transported Under Rate TS	4,773	15,197	16,446	6,197	12,963	12,585
26	Total Mcf of Customer-Owned Gas Transported Under Rate TS During 3-Month Period						
27	Pipeline Suppliers' Demand Component Per Mcf	0.9819	0.9824	0.8755	0.8726	0.8753	0.8735
28	Dollars of Recovery Under Rate TS During 3-Month Period (Line 25 x Line 27)	\$ 4,687	\$ 14,930	\$ 14,398	\$ 5,407	\$ 11,347	\$ 10,993
29	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$ 176,648	\$ 208,141	\$ 338,700	\$ 154,196	\$ 167,261	\$ 200,499
30	Revenues from Off-system Sales	\$ -	\$ 223,875	\$ 644,377	\$ 1,910,240	\$ -	\$ -
31	Total \$'s of Gas Cost Recovered During 3-Month Period (Line 23 + Line 28 + Line 29 + Line 30)	\$ 14,187,592	\$ 18,348,910	\$ 93,708,777	\$ 58,344,142	\$ 16,571,886	\$ 19,148,513

1. Monthly Mcf Sales include volumes for Natural Gas Vehicles (NGVs).

LOUISVILLE GAS AND ELECTRIC COMPANY
Summary of Gas Costs Recovered
Under Provisions of Rate FT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(16)	(10)	(11)
Billing Month	Case Number	UCDI Demand Chrg / Mcf	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	MMBTU Adjust. (Mcf)	MMBTU Adjust. (\$)	UCDI Mcf	UCDI \$ [(3) x (10)]	OFO Mcf	OFO \$	Monthly \$'s Recovered [(5)+(7)+(9)+(10)]
2010 Aug	2010-00263	0.1876	4,571.7	\$26,244.32	-	\$ -	47,201.2	\$8,854.95		\$0.00	\$35,099.27
Sep	2010-00263	0.1876	11,779.6	\$50,357.79	-	\$ -	65,712.9	\$12,327.74		\$0.00	\$62,685.53
Oct	2010-00263	0.1876	23,284.2	\$93,753.92	-	\$ -	88,500.8	\$16,602.75		\$0.00	\$110,356.67
										\$0.00	
Total FT Revenues											\$208,141.47
2010 Nov	2010-00387	0.1848	32,322.8	\$146,250.76	-	\$ -	95,937.2	\$17,729.19		\$0.00	\$163,979.95
Dec	2010-00387	0.1848	7,184.5	\$36,533.18	-	\$ -	246,546.5	\$45,561.79		\$56,416.90	\$138,511.87
2011 Jan	2010-00387	0.1848	766.1	\$4,056.63	-	\$ -	169,885.6	\$31,394.86		\$756.29	\$36,207.78
										\$57,173.19	
Total FT Revenues											\$338,699.60
2011 Feb	2010-00525	0.1847	1,996.9	\$10,320.78	-	\$ -	106,431.5	\$19,657.90		\$2,596.50	\$32,575.18
Mar	2010-00525	0.1847	12,438.6	\$57,279.74	-	\$ -	91,645.4	\$16,926.91		\$0.00	\$74,206.65
Apr	2010-00525	0.1847	5,924.5	\$27,231.62	-	\$ -	109,274.4	\$20,182.98		\$0.00	\$47,414.60
										\$2,596.50	
Total FT Revenues											\$154,196.43
2011 May	2011-00119	0.1850	875.4	\$4,245.70	-	\$ -	92,563.7	\$17,124.28		\$0.00	\$21,369.98
Jun	2011-00119	0.1850	7,084.7	\$36,379.94	-	\$ -	61,428.6	\$11,364.28		\$0.00	\$47,744.22
Jul	2011-00119	0.1850	17,148.7	\$84,347.57	-	\$ -	74,589.0	\$13,798.97		\$0.00	\$98,146.54
										\$0.00	
Total FT Revenues											\$167,260.74
2011 Aug	2011-00228	0.1846	5,121.2	\$23,353.91	-	\$ -	52,449.1	\$9,682.10		\$0.00	\$33,036.01
Sep	2011-00228	0.1846	10,008.4	\$42,551.13	-	\$ -	79,839.2	\$14,738.32		\$0.00	\$57,289.45
Oct	2011-00228	0.1846	22,100.0	\$85,924.96	-	\$ -	131,359.1	\$24,248.89		\$0.00	\$110,173.85
										\$0.00	
Total FT Revenues											\$200,499.31

Note: Should a Customer served under Rate FT under-nominate its monthly gas supply needs, a Cash-Out Sale is made to the Customer. This sale, which is based upon the cash-out price established in Rate FT, is also flowed through the GCAA as revenue.

Note: Changes in billings of the Cash-out Provision caused by variations in the MMBTU content of the gas are corrected on the following month's bill. Should such change occur as a charge to the customer, such revenue is flowed through the GCAA.

Note: Effective February 6, 2009, Rate RBS was eliminated per PSC Order dated February 5, 2009, in Case No. 2008-00252.

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

	MCF						DOLLARS								
	Mcf Purchases	Purchases for OSS	Less: Purchases for Depts. other Than Gas Dept.	Less: Purchases Injected Into Storage	Plus: Mcf Withdrawn From Storage	Plus Storage Losses	Mcf Sendout (Gas Dept)	Purchased Gas Costs	Purchased Gas Costs for OSS	Less: Purchases for Non-Gas Departments	Less: Purchases Injected Into Storage	Plus: Cost of Gas Withdrawn From Storage	Plus Storage Losses	Plus: Other Gas Purchase Expenses	Total Gas Supply Cost
Total August 2009 thru October 2009							3,653,614								14,915,016
November	2,167,654		(150)	(99,459)	659,461	54,204	2,781,710	12,355,375	0	(151)	(579,438)	3,210,982	263,897	2,143	15,252,807
December	3,994,643	228,847	(25)	(158,663)	2,257,089	46,871	6,368,762	23,583,956	1,036,791	(243)	(947,996)	11,018,657	228,815	2,326	34,922,305
January	4,877,608	0	(3,522)	(17,272)	2,982,982	41,185	7,880,981	34,079,518	0	(30,903)	(121,712)	14,572,165	201,193	2,351	48,702,612
Total November 2009 thru January 2010							17,031,453								98,877,723
February	3,878,520	28,293	(4,362)	(33,240)	2,927,676	36,077	6,832,964	25,271,789	151,670	(33,146)	(218,576)	14,321,020	176,474	2,441	39,671,672
March	2,032,205	0	(2,558)	(52,925)	1,579,079	31,107	3,586,908	13,343,493	0	11,572	(353,396)	7,750,909	152,689	3,279	20,908,546
April	374,174	0	(915)	0	962,557	27,510	1,363,326	1,799,288	0	(4,492)	0	4,724,615	135,030	3,000	6,657,442
Total February 2010 thru April 2010							11,783,198								67,237,660
May	380,442	0	(525)	0	812,417	27,504	1,219,838	1,843,701	0	(2,619)	0	3,987,749	135,003	2,645	5,966,479
June	2,347,475	0	(1,899)	(1,610,308)	727	29,105	765,100	12,306,697	0	(9,849)	(8,561,202)	3,694	147,900	2,624	3,889,863
July	3,673,725	0	(90)	(2,955,369)	397	34,824	753,487	19,289,947	0	(401)	(15,693,600)	2,057	180,461	2,508	3,780,972
Total May 2010 thru July 2010							2,738,425								13,637,314
August	3,568,417	0	(489)	(2,843,349)	238	42,082	766,899	17,905,651	0	(2,495)	(14,507,051)	1,228	217,072	2,985	3,617,390
September	3,548,147	58,536	(101)	(2,768,192)	29,316	45,312	913,018	15,241,633	214,200	(575)	(12,094,508)	145,994	225,654	2,780	3,735,177
October	3,254,524	0	(97)	(1,940,620)	818	49,670	1,364,295	14,655,268	0	(477)	(8,888,622)	4,029	244,630	2,757	6,017,585
Total Aug 2010 thru Oct 2010							3,044,212								13,370,152
November	3,296,004	167,011	(878)	(119,089)	75,345	54,240	3,472,633	15,060,953	551,219	(4,201)	(552,418)	370,893	267,013	2,483	15,695,942
December	5,706,876	0	(3,167)	(404,016)	2,251,740	47,863	7,599,296	29,210,960	0	(15,987)	(2,084,682)	11,099,502	235,931	3,356	38,449,080
January	4,481,843	0	(3,063)	0	3,276,581	41,484	7,796,845	23,631,881	0	(15,099)	0	16,151,251	204,487	2,859	39,975,378
Total November 2010 thru January 2011							18,868,774								94,120,400
February	2,377,796	144,081	(2,134)	0	2,844,904	35,172	5,399,819	13,803,133	630,606	(10,516)	0	14,023,385	173,373	3,109	28,623,091
March	1,863,975	298,154	(2,492)	0	1,983,775	30,437	4,173,849	10,777,227	1,141,207	(12,285)	0	9,778,424	150,030	3,039	21,837,642
April	681,011	0	(1,336)	(10,253)	1,017,732	26,726	1,713,880	4,537,396	0	(6,585)	(71,256)	5,021,999	131,879	2,782	9,616,214
Total February 2011 thru April 2011							11,287,548								60,076,947
May	929,868	0	(725)	0	380,093	27,840	1,337,076	5,806,168	0	(3,575)	0	1,875,569	137,376	2,579	7,818,118
June	2,079,283	0	(528)	(1,253,597)	367	29,784	855,309	11,235,936	0	(3,130)	(6,780,957)	1,869	151,681	2,877	4,608,276
July	3,404,192	0	(740)	(2,669,456)	423	34,399	768,818	17,047,849	0	(3,703)	(13,368,369)	2,139	173,966	2,445	3,854,327
Total May 2011 thru July 2011							2,961,203								16,280,721
August	3,808,843	0	(72)	(3,006,615)	461	40,448	843,065	17,862,107	0	(406)	(13,028,865)	2,224	195,166	3,183	5,033,408
September	3,640,987	0	(74)	(2,782,756)	429	49,402	907,988	15,916,960	0	(356)	(12,057,960)	2,021	233,285	2,802	4,096,752
October	4,022,515	0	(131)	(2,224,981)	1,253	49,335	1,847,991	17,236,506	0	(1,261)	(9,534,044)	5,821	229,191	2,871	7,939,084
Total Aug 2011 thru Oct 2011							3,599,044								17,069,244

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM AUGUST 2011 THROUGH OCTOBER 2011

DELIVERED BY TEXAS GAS TRANSMISSION, LLC

COMMODITY AND VOLUMETRIC CHARGES:

		AUGUST 2011			SEPTEMBER 2011			OCTOBER 2011			
		NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	
NATURAL GAS SUPPLIERS:											
1 .	A	388,771	379,289	\$1,701,667.50	376,230	367,054	\$1,455,675.00	388,771	379,289	\$1,443,747.50	
2 .	B	70,000	68,293	\$284,100.00	0	0	\$0.00	223,705	218,249	\$809,403.10	
3 .	C	391,620	382,068	\$1,611,675.00	378,989	369,745	\$1,492,140.00	391,598	382,047	\$1,401,270.00	
4 .	D	0	0	\$0.00	0	0	\$0.00	285,000	278,049	\$1,078,648.00	
5 .	E	70,000	68,293	\$283,825.00	0	0	\$0.00	20,000	19,512	\$73,350.00	
6 .	F	48,068	46,896	\$196,279.85	0	0	\$0.00	164,782	160,763	\$598,465.33	
7 .	G	48,190	47,015	\$198,499.76	0	0	\$0.00	38,687	37,743	\$140,100.00	
8 .	H	43,275	42,219	\$176,122.60	0	0	\$0.00	62,686	61,157	\$232,925.00	
9 .	I	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00	
10 .	J	135,016	131,723	\$554,450.00	112,438	109,696	\$428,001.02	302,835	295,449	\$1,077,711.19	
11 .	K	0	0	\$0.00	0	0	\$0.00	14,466	14,113	\$53,775.00	
12 .	L	0	0	\$0.00	0	0	\$0.00	110,271	107,581	\$408,190.01	
13 .	M	298,964	291,672	\$1,304,790.00	250,744	244,628	\$990,340.00	0	0	\$0.00	
14 .	N	142,500	139,024	\$633,890.40	655,500	639,512	\$2,582,844.80	114,000	111,219	\$431,459.20	
15 .	O	135,016	131,723	\$561,400.00	57,811	56,401	\$224,798.15	366,916	357,967	\$1,322,850.00	
16 .	P	10,000	9,756	\$40,500.00	0	0	\$0.00	0	0	\$0.00	
17 .	Q	269,068	262,505	\$1,173,981.50	234,360	228,644	\$903,474.00	0	0	\$0.00	
18 .	R	3,333	3,252	\$13,531.98	0	0	\$0.00	0	0	\$0.00	
19 .	S	135,016	131,723	\$549,200.00	28,932	28,226	\$112,950.00	347,700	339,220	\$1,242,741.76	
20 .	T	451,850	440,829	\$1,859,625.00	437,310	426,644	\$1,721,700.00	0	0	\$0.00	
21 .	U	96,440	94,088	\$393,875.00	0	0	\$0.00	193,102	188,392	\$703,000.00	
		<u>2,737,127</u>	<u>2,670,368</u>	<u>\$11,537,413.59</u>	<u>2,532,314</u>	<u>2,470,550</u>	<u>\$9,911,922.97</u>	<u>3,024,519</u>	<u>2,950,750</u>	<u>\$11,017,636.09</u>	
NO-NOTICE SERVICE ("NNS") STORAGE:											
1 .	WITHDRAWALS	0	0	\$0.00	30,939	30,184	\$120,779.67	121,442	118,480	\$445,935.02	
2 .	INJECTIONS	(154,099)	(150,340)	(\$658,958.14)	(129,149)	(125,999)	(\$504,171.87)	(351,526)	(342,952)	(\$1,290,803.47)	
3 .	ADJUSTMENTS	3,099	(2,394)	\$13,614.22	1,273	(1,616)	\$5,443.60	0	(1,828)	\$0.00	
4 .	ADJUSTMENTS	0	0	(\$630.32)	0	0	(\$218.95)	0	0	\$0.00	
5 .	ADJUSTMENTS	0	0	\$26,505.02	0	0	(\$20,951.95)	0	0	(\$105,263.48)	
	NET NNS STORAGE	<u>(151,000)</u>	<u>(152,734)</u>	<u>(\$619,469.22)</u>	<u>(96,937)</u>	<u>(97,431)</u>	<u>(\$399,119.50)</u>	<u>(230,084)</u>	<u>(226,300)</u>	<u>(\$950,131.93)</u>	
NATURAL GAS TRANSPORTERS:											
1 .	TEXAS GAS TRANSMISSION, LLC			\$138,750.96			\$136,114.13			\$151,923.98	
2 .	ADJUSTMENTS	0	46,122	\$195.58	0	51,174	\$79.98	0	47,155	(\$0.56)	
3 .	ADJUSTMENTS	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00	
	TOTAL	<u>2,586,127</u>	<u>2,563,756</u>	<u>\$138,946.54</u>	<u>2,435,377</u>	<u>2,424,293</u>	<u>\$136,194.11</u>	<u>2,794,435</u>	<u>2,771,605</u>	<u>\$151,923.42</u>	
TOTAL COMMODITY AND VOLUMETRIC CHARGES				\$11,056,890.91					\$9,648,997.58	\$10,219,427.58	
DEMAND AND FIXED CHARGES:											
1 .	TEXAS GAS TRANSMISSION, LLC			\$942,883.60			\$912,468.00			\$1,683,516.38	
2 .	ADJUSTMENTS			\$0.00			\$0.00			\$0.00	
3 .	SUPPLY RESERVATION CHARGES			\$248,852.80			\$246,174.88			\$470,275.24	
4 .	ADJUSTMENTS			\$0.00			\$0.00			\$0.00	
5 .	CAPACITY RELEASE CREDITS			\$0.00			\$0.00			\$0.00	
6 .	ADJUSTMENTS			\$0.00			\$0.00			\$0.00	
TOTAL DEMAND AND FIXED CHARGES				\$1,191,736.40					\$1,158,642.88	\$2,153,791.62	
TOTAL PURCHASED GAS COSTS – TEXAS GAS TRANSMISSION, LLC				<u>\$12,248,627.31</u>					<u>\$10,807,640.46</u>	<u>\$12,373,219.20</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM AUGUST 2011 THROUGH OCTOBER 2011

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY

COMMODITY AND VOLUMETRIC CHARGES:

		AUGUST 2011			SEPTEMBER 2011			OCTOBER 2011		
		NET MMBTU	MCF	\$	NET MMBTU	MCF	\$	NET MMBTU	MCF	\$
<u>NATURAL GAS SUPPLIERS:</u>										
1 .	V	310,000	300,971	\$1,347,144.06	300,000	291,262	\$1,165,974.30	310,000	300,971	\$1,160,567.77
2 .	W	0	0	\$0.00	0	0	\$0.00	0	0	\$0.00
3 .	X	303,893	295,042	\$1,237,425.00	294,090	285,524	\$1,141,650.00	303,893	295,042	\$1,068,375.00
4 .	Y	303,893	295,042	\$1,237,425.00	294,090	285,524	\$1,141,650.00	303,893	295,042	\$1,068,375.00
5 .	Z	322,214	312,829	\$1,311,220.04	311,820	302,738	\$1,209,696.34	322,214	312,829	\$1,131,976.39
		<u>1,240,000</u>	<u>1,203,884</u>	<u>\$5,133,214.10</u>	<u>1,200,000</u>	<u>1,165,048</u>	<u>\$4,658,970.64</u>	<u>1,240,000</u>	<u>1,203,884</u>	<u>\$4,429,294.16</u>
<u>NATURAL GAS TRANSPORTERS:</u>										
1 .	TENNESSEE GAS PIPELINE COMPANY			\$21,700.00			\$21,000.00			\$21,700.00
2 .	TENNESSEE GAS PIPELINE COMPANY			\$21,948.00			\$21,240.00			\$21,948.00
3 .	ADJUSTMENTS	(1,307)	22,921	(\$5,971.03)	(686)	25,632	(\$2,943.63)	(151)	30,634	(\$611.51)
4 .	ADJUSTMENTS	0	0	\$13,447.54	0	0	\$0.00	0	0	\$0.00
5 .	ADJUSTMENTS	0	0	\$21,932.92	0	0	\$0.00	0	0	\$0.00
	TOTAL	<u>1,238,693</u>	<u>1,226,805</u>	<u>\$73,057.43</u>	<u>1,199,314</u>	<u>1,190,680</u>	<u>\$39,296.37</u>	<u>1,239,849</u>	<u>1,234,518</u>	<u>\$43,036.49</u>
TOTAL COMMODITY AND VOLUMETRIC CHARGES				\$5,206,271.53			\$4,698,267.01			\$4,472,330.65
<u>DEMAND AND FIXED CHARGES:</u>										
1 .	TENNESSEE GAS PIPELINE COMPANY			\$329,664.00			\$329,664.00			\$329,664.00
2 .	TRANSPORTATION BY OTHERS			\$0.00			\$0.00			\$0.00
3 .	SUPPLY RESERVATION CHARGES			\$0.00			\$0.00			\$0.00
4 .	CAPACITY RELEASE CREDITS			\$0.00			\$0.00			\$0.00
TOTAL DEMAND AND FIXED CHARGES				\$329,664.00			\$329,664.00			\$329,664.00
TOTAL PURCHASED GAS COSTS – TENNESSEE GAS PIPELINE COMPANY				<u>\$5,535,935.53</u>			<u>\$5,027,931.01</u>			<u>\$4,801,994.65</u>
<u>OTHER PURCHASES</u>										
1 .	CASH-OUT OF CUSTOMER OVER-DELIVERIES		18,282	\$77,544.13		26,014	\$81,388.54		16,392	\$61,292.02
	TOTAL		<u>18,282</u>	<u>\$77,544.13</u>		<u>26,014</u>	<u>\$81,388.54</u>		<u>16,392</u>	<u>\$61,292.02</u>
TOTAL PURCHASED GAS COSTS – ALL PIPELINES		<u>3,824,820</u>	<u>3,808,843</u>	<u>\$17,862,106.97</u>	<u>3,634,691</u>	<u>3,640,987</u>	<u>\$15,916,960.01</u>	<u>4,034,284</u>	<u>4,022,515</u>	<u>\$17,236,505.87</u>

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LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2011-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over- or under-recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The under-recovery that must be collected under the Gas Cost Balance Adjustment (GCBA) during the period of February 1 2012 through April 30, 2012, set forth on Page 1 of Exhibit C-1, is \$37,653. The GCBA factor required to collect this under-recovery is a charge of 0.034¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after February 1, 2012 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2011-00402, which, with service rendered through January 2012, will have been in effect for three months. Any over- or under-recovery of the amount originally established will be transferred to the GCBA which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after February 1, 2012.

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Quarterly Gas Cost Balance Adjustment
 To Compensate for Over or (Under) Recoveries
 From the Gas Cost Actual Adjustment (GCAA) and
 Gas Cost Balance Adjustment (GCBA)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Implemented for Three-Month Period With Service Rendered On and After:	Remaining Over (Under) Recovery From GCAA ¹ (\$)	Amt. Transferred From Refund Factor & PBRC (\$)	GCBA From Second Preceding 3 Mo. Period (\$)	Applicable Sales During 3 Mo. Period ² (mcf)	GCBA Factor From Second Preceding 3 Mo. Period (cents/mcf)	Recovery Under GCBA (\$)	Remaining Over (Under) Recovery (\$)	Deferred Amounts (\$)	Total Remaining Over (Under) Recovery (\$)	Expected Sales For 3 Mo. Period (mcf)	GCBA (cents/mcf)	GCBA (cents/ccf)
						(5) x (6)	(4) + (7)		(2 + 3 + 8 + 9)			
February 1, 2007 (Case No. 2007-00001)	340,264		(1,711,456) ⁵	3,767,428	48.14	1,813,640	102,184		442,448	11,775,388	(3.76)	(0.376)
May 1, 2007 (Case No. 2007-00141)	(3,153,475)		205,356	13,581,993	(1.29)	(175,208)	30,149		(3,123,326)	2,901,342	107.65	10.765
August 1, 2007 (Case No. 2007-00267)	2,151,894	(470,308) ⁴	442,448	12,051,122	(3.76)	(453,122)	(10,674)		1,670,912	3,349,006	(49.89)	(4.989)
November 1, 2007 (Case No. 2007-00428)	2,200,035	20,942 ⁶	(3,123,326)	2,614,844	107.65	2,814,880	(308,446)		1,912,531	15,504,337	(12.34)	(1.234)
February 1, 2008 (Case No. 2007-00559)	8,464		1,670,912	2,869,583	(49.89)	(1,431,635)	239,277		247,741	11,191,562	(2.21)	(0.221)
May 1, 2008 (Case No. 2008-00117)	150,798		1,912,531	14,429,576	(12.34)	(1,780,610)	131,921		282,719	2,745,844	(10.30)	(1.030)
August 1, 2008 (Case No. 2008-00246)	(169,651)	(260,366) ⁴	247,741	12,450,630	(2.21)	(275,159)	(27,418)		(457,436)	3,682,115	12.42	1.242
November 1, 2008 (Case No. 2008-00430)	(239,644)		282,719	2,898,628	(10.30)	(298,559)	(15,839)		(255,483)	15,435,648	1.66	0.166
February 1, 2009 (Case No. 2008-00564)	(42,473)	(1,307,422) ⁷	(457,436)	3,162,873	12.42	392,829	(64,607)		(1,414,502)	11,250,108	12.57	1.257
May 1, 2009 (Case No. 2009-00140)	(277,968)		(255,483)	15,899,387	1.66	263,930	8,446		(269,522)	2,870,045	9.39	0.939
August 1, 2009 (Case No. 2009-00248)	34,233	142,782 ⁴	(1,414,502)	10,527,702	12.57	1,323,332	(91,170)		85,845	3,348,186	(2.56)	(0.256)
November 1, 2009 (Case No. 2009-00395)	(61,729)		(269,522)	2,606,156	9.39	244,718	(24,804)		(86,533)	15,002,877	0.58	0.058
February 1, 2010 (Case No. 2009-00457)	207,342		85,845	3,296,439	(2.56)	(84,389)	1,456		208,798	11,471,206	(1.82)	(0.182)
May 1, 2010 (Case No. 2010-00140)	(158,970)		(86,533)	15,306,756	0.58	88,779	2,246		(156,724)	2,789,591	5.62	0.562
August 1, 2010 (Case No. 2010-00263)	(349,419)	416,195 ⁸	208,798	11,145,941	(1.82)	(202,856)	5,942		72,719	3,277,139	(2.22)	(0.222)
November 1, 2010 (Case No. 2010-00387)	(210,223)		(156,724)	2,522,968	5.62	141,791	(14,933)		(225,156)	14,305,587	1.57	0.157
February 1, 2011 (Case No. 2010-00525)	(53,998)		72,719	2,786,602	(2.22)	(61,863)	10,856		(43,142)	12,001,853	0.36	0.036
May 1, 2011 (Case No. 2011-00119)	(190,462)	(10,056) ⁹	(225,156)	16,886,997	1.57	265,126	39,970		(160,548)	2,917,118	5.50	0.550
August 1, 2011 (Case No. 2011-00228)	42,651	85,738 ⁴	(43,142)	10,390,380	0.36	37,405	(5,737)		122,651	3,181,360	(3.86)	(0.386)
November 1, 2011 (Case No. 2011-00402)	(93,920)	(2,582) ⁹	(160,548)	2,854,033	5.50	156,972	(3,576)		(100,078)	14,890,364	0.67	0.067
February 1, 2012 (Case No. 2011-00xxx)	(28,439)	(3,698) ⁹	122,651	3,320,420	(3.86)	(128,168)	(5,517)		(37,653)	11,202,749 ³	0.34	0.034

1 See Exhibit C-1, page 2.

2 Corresponds with actual applicable sales shown on Exhibit B-1, page 2.

3 For The Three-Month Period From February 1, 2012 through April 30, 2012.

4 Reconciliation of the PBRC from previous twelve months.

5 Correction of Total Remaining Over(Under) Recovery (Col. 10) for August 1, 2006. Applicable Sales used in this calculation should have been 9,880,883 Mcf, instead of 7,486,966 Mcf, resulting in a Total Remaining Over(Under) Recovery of (\$1,711,456), instead of (\$1,808,410).

6 This amount represents an over-refund by LG&E from the FERC settlement of the rate case filed by Texas Gas in Docket No. RP05-317 of a pipeline supplier refund.

7 This amount represents an over-refund by LG&E from Case No. 2007-00141 due to an input error as explained in Exhibit B in Case No. 2007-00559. This adjustment corrects that error.

8 Of the total of \$416,195, \$(42,762) represents the reconciliation of the PBRC from previous twelve months, and \$458,957 represents the total over-recovery related to misstated sales as corrected in this filing.

9 This amount represents the (Over)Under refund by LG&E from the Tennessee Gas Pipeline Company Refund from the previous twelve months.

LOUISVILLE GAS AND ELECTRIC COMPANY

		2008-00246 February 1, 2009	2008-00430 May 1, 2009	2008-00564 August 1, 2009	2009-00140 November 1, 2009	2009-00248 February 1, 2010	2009-00395 May 1, 2010	2009-00457 August 1, 2010	2010-00140 November 1, 2010		
Amount of Over (Under) Recovery – See Exhibit B-1, Page 1		\$21,155,634	\$11,890,588	\$7,599,626	\$4,777,043	\$3,800,636	(\$1,443,314)	\$2,305,803	\$550,278		
Total Monthly (1)	As Pro-Rated for Service Rendered During:			Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under		
	Previous (2)	Current (3)	Following	Under -67.16 cents per Mcf	Under -37.83 cents per Mcf	Under -24.20 cents per Mcf	Under -15.21 cents per Mcf	Under -11.97 cents per Mcf	Under 4.56 cents per Mcf	Under -7.29 cents per Mcf	Under -1.73 cents per Mcf
2009 February	5,911,463	3,180,536	2,730,927	(1)	(1,834,090.44) (3)						
March	4,228,050			(1)	(2,839,558.04) (1)						
April	2,732,278			(1)	(1,834,997.90) (1)						
May	1,365,407	836,448	528,959	(1)	(917,007.34) (1)	(200,105.19) (3)					
June	970,692			(1)	(651,916.75) (1)	(367,212.78) (1)					
July	742,923			(1)	(498,947.09) (1)	(281,047.77) (1)					
August	747,644	363,582	384,062	(1)	(502,117.51) (1)	(282,833.61) (1)	(92,943.05) (3)				
September	721,539			(1)	(484,585.32) (1)	(272,958.05) (1)	(174,612.34) (1)				
October	1,081,546			(1)	(726,366.02) (1)	(409,148.70) (1)	(261,734.04) (1)				
November	1,956,901	1,109,292	847,608	(2)	(1,314,254.44) (1)	(740,295.50) (1)	(473,569.95) (1)	(128,921.21) (3)			
December	4,083,605				(2,742,549.25) (1)	(1,544,827.85) (1)	(988,232.46) (1)	(621,116.35) (1)			
2010 January	6,933,709				(4,656,678.63) (1)	(2,623,021.93) (1)	(1,677,957.46) (1)	(1,054,617.06) (1)			
February	6,580,311	3,441,834	3,138,477		(2,311,535.65) (2)	(2,489,321.58) (1)	(1,592,435.21) (1)	(1,000,865.27) (1)	(375,675.68) (3)		
March	5,395,810					(2,041,234.85) (1)	(1,305,785.97) (1)	(820,702.67) (1)	(645,878.43) (1)		
April	2,113,814					(799,655.87) (1)	(511,543.01) (1)	(321,511.12) (1)	(253,023.55) (1)		
May	1,119,086	497,841	621,245			(188,333.10) (2)	(170,212.98) (1)	(133,954.59) (1)	28,328.79 (3)		
June	876,895						(212,208.47) (1)	(104,964.27) (1)	39,986.39 (1)		
July	743,913						(113,149.23) (1)	(89,046.43) (1)	33,922.45 (1)		
August	662,686	280,915	381,771				(100,794.46) (1)	(79,323.45) (1)	30,218.46 (1)	(27,831.08) (3)	
September	712,178						(108,322.33) (1)	(85,247.75) (1)	32,475.34 (1)	(51,917.81) (1)	
October	881,009						(134,001.53) (1)	(105,456.83) (1)	40,174.03 (1)	(64,225.59) (1)	
November	1,733,121	811,643	921,478				(123,450.90) (2)	(79,030.33) (1)	79,030.33 (1)	(126,344.54) (1)	(15,941.57) (3)
December	4,910,152							(207,454.62) (1)	(587,745.23) (1)	(357,950.10) (1)	(84,945.63) (1)
2011 January	7,499,514							(897,691.83) (1)	(897,691.83) (1)	(546,714.57) (1)	(129,741.59) (1)
February	5,965,533	3,555,852	2,409,681					(425,635.53) (2)	(272,028.32) (1)	(434,887.38) (1)	(103,203.73) (1)
March	4,299,476								196,056.12 (1)	(313,431.82) (1)	(74,380.94) (1)
April	2,828,499								128,979.56 (1)	(206,197.59) (1)	(48,933.04) (1)
May	1,553,116	852,724	700,392						38,884.20 (2)	(113,222.12) (1)	(26,868.90) (1)
June	1,037,087									(75,603.67) (1)	(17,941.61) (1)
July	771,444									(56,238.25) (1)	(13,345.98) (1)
August	770,697	345,110	425,587							(25,158.49) (2)	(13,333.05) (1)
September	798,228										(13,809.34) (1)
October	1,080,900										(18,699.57) (1)
November	2,056,028	1,015,706	1,040,323								(17,571.71) (2)
Total Amount Billed Under GCAA		(21,314,604)	(12,240,007)	(7,809,849)	(4,831,041)	(3,991,098)	1,485,965	(2,399,723)	(578,717)		
Remaining Amount of Over (Under) Recovery		(158,970)	(349,419)	(210,223)	(53,998)	(190,462)	42,651	(93,920)	(28,439)		

(1) GCAA Times Sales Shown in Column 1.
(2) GCAA Times Sales Shown in Column 2.
(3) GCAA Times Sales Shown in Column 3.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2011-00XXX**

Refund Factors (RF) continuing for twelve months from the effective date of each or until LG&E has discharged its refund obligations thereunder.

The purpose of this adjustment is to pass through refunds received by Louisville Gas and Electric Company ("LG&E") associated with Tennessee Gas Pipeline Company ("Tennessee").

The Federal Energy Regulatory Commission ("FERC") approved the settlement filed by Tennessee in Docket Nos. RP91-203 and RP92-132 regarding refunds related to amounts collected by Tennessee to cover certain of its PCB remediation costs. Such amounts have been over-collected by Tennessee and are now being refunded to its customers in installments through April 2012. The refunds approved became effective December 3, 2009, covering the period from November 1, 1996 (when LG&E first began taking firm service from Tennessee under Rate Schedule FT-A) through June 30, 2000 (when the surcharge was reduced by Tennessee to zero with FERC approval).

As shown on Exhibit D-1, the expected refund obligation, including interest, from the refund received October 6, 2011, is \$139,275.70. The estimated interest on the refundable amount is calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12 months period, less 1/2 of 1 percent to cover the cost of refunding. Estimated interest, calculated pursuant to Commission direction, is estimated to be zero for the current 12-month refund period.

Since the amounts were charged to and allocated from LG&E's demand customers on a demand basis, the refunds must now also be credited on a demand basis. Therefore, the Refund Factor will be as follows:

Current Quarter Refund Factor:	
Effective February 1, 2012	0.041 cents/Ccf
1st Previous Quarter Refund Factor:	
Effective November 1, 2011	0.044 cents/Ccf
2nd Previous Quarter Refund Factor:	
Effective August 1, 2011	0.043 cents/Ccf
3rd Previous Quarter Refund Factor:	
Effective May 1, 2011	0.043 cents/Ccf
Total Refund Factor (RF)	0.171 cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2011-00XXX

Calculation of Refund Factor

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Start Date	End Date	Case Number	Total Cash Refund Related to Demand	Plus Interest on Refundable Amount	Expected Refund Obligation Including Interest	Expected Mcf Sales for the 12- month Period	Refund Factor per Mcf (\$/Mcf)	Refund Factor per Ccf (cents/Ccf)
					(4) + (5)		(6) / (7)	
May-2011	Apr-2012	(Case No. 2011-00119)	\$ 139,275.70	\$ -	\$ 139,275.70	32,077,208	\$ 0.0043	0.043 ¢
Aug-2011	Jul-2012	(Case No. 2011-00228)	\$ 139,275.70	\$ -	\$ 139,275.70	32,062,600	\$ 0.0043	0.043 ¢
Nov-2011	Oct-2012	(Case No. 2011-00402)	\$ 139,275.70	\$ -	\$ 139,275.70	31,769,852	\$ 0.0044	0.044 ¢
Feb-2012	Jan-2013	(Case No. 2011-00xxx)	\$ 139,275.70	\$ -	\$ 139,275.70	34,000,081	\$ 0.0041	0.041 ¢

LOUISVILLE GAS AND ELECTRIC**Gas Supply Clause: 2011-00xxx
Calculation of Performance Based Rate Recovery Component (PBRRC)**

The purpose of the PBRRC is to collect Louisville Gas and Electric Company's portion of the savings created under the gas supply cost PBR. In accordance with the Orders of the Commission in Case No. 2001-00017 dated October 26, 2001, and Case No. 2005-00031 dated May 27, 2005, LG&E is making this filing, the PBRRC established in Case No. 2008-00564, became applicable to gas service rendered on and after February 1, 2010 and will remain in effect until January 31, 2011, after which time a new adjustment level may be implemented. Therefore, as shown in the following table, the PBRRC amount which will become effective with gas service rendered on and after February 1, 2012, and will remain in effect until January 31, 2013, is \$0.00351 and \$0.00715 per 100 cubic feet for sales and standby transportation volumes, respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00351/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00715/Ccf</u>	<u>\$0.00715/Ccf</u>
Total PBRRC	\$0.01066/Ccf	\$0.00715/Ccf

Please note that Louisville Gas and Electric Company's tariff sales volumes receive both the commodity-related and demand-related portion of the PBRRC. Transportation volumes under Rate TS receive only the demand-related portion of the PBRRC.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2011-00XXX
Calculation of Performance Based Rate Recovery Component (PBRRC)
Effective February 1, 2012

	CSPBR Related to <u>Commodity</u>	CSPBR Related to <u>Demand</u>
Shareholder Portion of PBR	\$1,108,429	\$2,267,841
Expected Mcf Sales for the 12 month period beginning February 1, 2012	31,617,677	31,714,204
PBRRC factor per Mcf	\$0.0351	\$0.0715
PBRRC factor per Ccf	\$0.00351	\$0.00715

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause 2011-00XXX
Shareholder Portion of PBR Savings
PBR Year 15

Split between Demand (Fixed) and Commodity (Volumetric) Components
As Determined in LG&E's Fourth Quarterly PBR Filing

	<u>Commodity</u>	<u>Demand</u>	<u>Total</u>
Company Share of PBR Savings or (Expenses) (CSPBR)	\$1,108,429	\$2,267,841	\$3,376,270

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

GAS SERVICE RATES EFFECTIVE WITH SERVICE
 RENDERED FROM
 February 1, 2012 through April 30, 2012

	<u>RATE PER MCF</u>				
	<u>ADMIN CHARGE (PER MONTH)</u>	<u>LG&E DIST CHARGE</u>	<u>PIPELINE SUPPLIER'S DEMAND COMPONENT</u>	<u>DSM COST RECOVERY COMPONENT</u>	<u>TOTAL</u>
RATE TS					
RATE CGS - COMMERCIAL	\$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.8722	\$0.9108	0.1160	\$2.8990
OVER 100 MCF/MONTH		\$1.3722	\$0.9108	0.1160	\$2.3990
NOVEMBER THRU MARCH					
ALL MCF		\$1.8722	\$0.9108	0.1160	\$2.8990
 RATE IGS - INDUSTRIAL	 \$153.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.9022	\$0.9108	0.0000	\$2.8130
OVER 100 MCF/MONTH		\$1.4022	\$0.9108	0.0000	\$2.3130
NOVEMBER THRU MARCH					
ALL MCF		\$1.9022	\$0.9108	0.0000	\$2.8130
 Rate AAGS	 \$153.00	 \$0.5252	 \$0.9108	 0.1160	 \$1.5520

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

February 1, 2012 through April 30, 2012

Transportation Service:

Monthly Transportation Administrative Charge	\$230.00
Distribution Charge / Mcf Delivered	\$0.4300

Ancillary Services:

Daily Demand Charge	\$0.1722
Daily Storage Charge	<u>\$0.1833</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3555

Cash-Out Provision for Monthly Imbalances	Percentage to be Multiplied by Cash-Out Price *
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Cash-Out Provision for Monthly Imbalances:

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.
