

CUSTOMER NOTICE OF RATE ADJUSTMENT

PLEASE TAKE NOTICE that, in a May 30, 2025, Application, Louisville Gas and Electric Company ("LG&E") is seeking approval by the Kentucky Public Service Commission of an adjustment of its electric and gas rates and charges to become effective on and after July 1, 2025.

LG&E CURRENT AND PROPOSED RESIDENTIAL ELECTRIC AND GAS RATES

| | <u>Current</u> | <u>Proposed</u> |
|--------------------------------|----------------|-----------------|
| Residential Service - Rate RS | | |
| Basic Service Charge per Day: | \$ 0.45 | \$0.52 |
| Plus an Energy Charge per kWh: | | |
| Infrastructure: | \$ 0.07161 | \$0.07989 |
| Variable: | \$ 0.03677 | \$0.03878 |
| Total: | \$ 0.10838 | \$0.11867 |

Residential Time-of-Day Energy Service - Rate RTOD-Energy

| | <u>Current</u> | <u>Proposed</u> |
|----------------------------------|----------------|-----------------|
| Basic Service Charge per Day: | \$ 0.45 | \$0.52 |
| Plus an Energy Charge per kWh: | | |
| Off-Peak Hours (Infrastructure): | \$ 0.05121 | \$0.05710 |
| Off-Peak Hours (Variable): | \$ 0.03677 | \$0.03878 |
| Off-Peak Hours (Total): | \$ 0.08798 | \$0.09588 |
| On-Peak Hours (Infrastructure): | \$ 0.14796 | \$0.16497 |
| On-Peak Hours (Variable): | \$ 0.03677 | \$0.03878 |
| On-Peak Hours (Total): | \$ 0.18473 | \$0.20375 |

Residential Time-of-Day Demand Service - Rate RTOD-Demand

| | <u>Current</u> | <u>Proposed</u> |
|---|----------------|-----------------|
| Basic Service Charge per Day: | \$ 0.45 | \$0.52 |
| Plus an Energy Charge per kWh (Infrastructure): | \$ 0.02329 | \$0.02597 |
| Plus an Energy Charge per kWh (Variable): | \$ 0.03677 | \$0.03878 |
| Plus an Energy Charge per kWh (Total): | \$ 0.06006 | \$0.06475 |
| Plus a Demand Charge per kW: | | |
| Base Hours | \$ 4.18 | \$4.66 |
| Peak Hours | \$ 9.16 | \$10.21 |

Residential Gas Service - Rate RGS

| | <u>Current</u> | <u>Proposed</u> |
|-------------------------------------|----------------|---------------------------|
| Basic Service Charge per Day: | \$ 0.65 | \$0.81 per delivery point |
| Plus a Charge per 100 Cubic Feet: | | |
| Distribution Charge | \$ 0.51809 | \$0.63885 |
| Gas Supply Cost Component | \$ 0.52355 | \$0.52355 |
| Total Gas Charge per 100 Cubic Feet | \$ 1.04164 | \$1.16240 |

LG&E is also proposing changes to the rates for other customer classes. These customer classes and their associated annual revenue changes are listed in the tables shown below. LG&E is also proposing to change the text of some of its rate schedules and other tariff provisions. LG&E's proposed rates reflect a proposed annual increase in electric revenues of approximately 8.3% and gas revenues of approximately 14.0%.

The estimated amount of the annual change and the average monthly bill to which the proposed electric rates will apply for each electric customer class are as follows:

| Electric Rate Class | Average Usage (kWh) | Annual \$ Increase | Annual % Increase | Monthly Bill \$ Increase | Monthly Bill % Increase |
|----------------------------|--|--------------------|-------------------|--------------------------|-------------------------|
| Residential | 866 | 52,408,554 | 10.12 | 11.04 | 10.12 |
| Residential Time-of-Day | 1,300 | 24,700 | 9.42 | 14.57 | 9.42 |
| General Service | 2,026 | 11,564,999 | 6.54 | 19.92 | 6.54 |
| General Time-of-Day | 10,101 | 3,060 | 5.80 | 63.13 | 5.80 |
| Power Service | 41,531 | 10,645,019 | 6.69 | 336.66 | 6.69 |
| Time-of-Day Secondary | 192,363 | 9,682,682 | 7.29 | 1,382.59 | 7.29 |
| Time-of-Day Primary | 1,205,552 | 11,886,201 | 7.82 | 7,305.42 | 7.82 |
| Retail Transmission | 6,746,690 | 5,310,892 | 7.62 | 34,044.18 | 7.62 |
| Extremely High Load Factor | New Rate Schedule | | | | |
| Fluctuating Load | No Customers currently are served under this Rate Schedule | | | | |
| Outdoor Lights | 79 | 2,230,0997 | 9.20 | 2.02 | 9.21 |
| Lighting Energy | 1,753 | 24,540 | 6.59 | 9.16 | 6.59 |
| Traffic Energy | 176 | 27,567 | 7.53 | 1.53 | 7.53 |
| Outdoor Sports Lighting | 4,127 | 11 | 0.07 | 0.88 | 0.07 |
| Rider – CSR | N/A | 0.00 | 0.00 | 0.00 | 0.00 |

The estimated amount of the annual change and the average monthly bill to which the proposed gas rates will apply for each gas customer class is as follows:

| Gas Rate Class | Average Usage (Mcf) | Annual \$ Increase | Annual % Increase | Monthly Bill \$ Increase | Monthly Bill % Increase |
|------------------------|--|--------------------|-------------------|--------------------------|-------------------------|
| Residential | 5.2 | 40,978,479 | 14.87 | 11.12 | 14.87 |
| Commercial | 33.6 | 14,291,973 | 11.76 | 45.71 | 11.76 |
| Industrial | 621.0 | 1,073,777 | 8.97 | 398.58 | 8.97 |
| As-Available | 2,166.6 | 17,591 | 4.92 | 732.98 | 4.92 |
| Firm Transportation | 18,568.1 | 2,675,061 | 24.41 | 2,821.79 | 24.41 |
| Distributed Generation | 0.7 | 8,902 | 10.74 | 106.06 | 10.74 |
| Substitute Gas Sales | 395.9 | 17,844 | 12.72 | 1,486.99 | 12.72 |
| Local Gas Delivery | No Customers currently are served under this Rate Schedule | | | | |

LG&E is proposing to expand the number of customers limit of GTOD-E and GTOD-D customers to a maximum of 500 customers combined.

LG&E is proposing to migrate all PS customers from a maximum load charge per kW to kVA. In addition, LG&E is proposing to transition all PS customers from a seasonal maximum load charge to a time-differentiated 3-tier maximum load charge, similar to the TODS, TODP, and RTS rate schedules. New PS service initiated on or after January 1, 2026 will be required to enter into a contract for an initial term of one year.

LG&E is proposing a new rate schedule titled Extremely High Load Factor Service. This rate schedule will be for customers contracting for capacity greater than 100 MVA and an average monthly load factor above 85%.

LG&E is proposing to split its wireline pole attachment charge into two charges, a two-user wireline pole attachment charge and a three-user wireline pole attachment charge.

LG&E is proposing to add an adjustment clause called Renewable Power Purchase Agreement. This adjustment clause will recover the cost of renewable generation power purchase agreements approved by the Commission.

LG&E is proposing to add an optional program called Pre-Pay within both the electric and gas tariffs. This program will give residential customers with AMI meters the option of moving from traditional post-paid service to a deposit-free pre-paid service.

LG&E is proposing to expand the Terms and Conditions rules for Deposits within both the electric and gas tariffs. This expansion looks to provide clarity to the business processes surrounding deposits and makes deposits mandatory for customers taking service under TODS, TODP, RTS, FLS and EHLF.

LG&E is proposing to modify the Terms and Conditions related to Billing by making paperless billing the default option for new customers and for those whom the Company has an email address.

LG&E is proposing a new tariff in its Terms and Conditions for Rules for Transmission-Level Retail Electric Service Studies and Related Implementation Costs. This will apply to any proposed retail electric service requiring LG&E to submit a Transmission Service Request to its Independent Transmission Organization.

LG&E is proposing new terms and conditions for Net Metering Service Interconnection Guidelines.

LG&E is proposing to modify the timing for submission of gas nominated volumes within the Firm

Transportation Service (FT) and Pooling Service – Rider TS-2 (PS-TS-2) tariffs from 10:00 a.m. to 8:00 a.m. prevailing Eastern Time to more closely align with the gas markets.

LG&E is proposing to not accept customers under rate schedule DGGS with a connected load of more than 8,000 cubic feet per hour.

LG&E is proposing to increase the excess costs availability of the Standard Facility Contribution Rider from a ceiling of \$2 million to \$4 million. In addition, LG&E is proposing to change the calculation of the interest rate where the addition of basis points to 5-year Treasury Rate will change from 100 to 150.

LG&E is proposing to modify the Terms and Conditions related to Curtailment Rules within its gas tariffs to modernize and mirror the current operating procedures.

Other Charges
LG&E is proposing the following revisions to other charges in its Electric tariff:

| Other Charges | <u>Current</u> | <u>Proposed</u> |
|--|----------------|-----------------|
| Wireline Pole Attachment | \$7.25 | Removed |
| Two-User Wireline Pole Attachment | New | \$10.13 |
| Three-User Wireline Pole Attachment | New | \$10.46 |
| Linear Foot of Duct | \$0.81 | \$1.22 |
| Wireless Facility at Top of Company Pole | 36.25 | \$51.46 |
| Net Metering Service-2 Bill Credit | \$0.07089 | \$0.03786 |
| Returned Payment Charge | \$3.70 | \$3.00 |
| Meter Test Charge | \$79.00 | \$90.00 |
| Meter Pulse Charge | \$21.00 | \$22.00 |
| Disconnect/Reconnect Service Charge w/o remote service switch | \$32.00 | \$51.00 |
| Disconnect/Reconnect Service Charge w/ remote service switch | \$0 | \$0 |
| Unauthorized Connection Charge – without meter replacement | \$49.00 | \$51.00 |
| Unauthorized Connection Charge – for single-phase standard meter replacement | \$70.00 | \$72.00 |
| Unauthorized Connection Charge – for single-phase AMR meter replacement | \$91.00 | \$93.00 |
| Unauthorized Connection Charge – for single-phase AMI meter replacement | \$153.00 | \$146.00 |
| Unauthorized Connection Charge – for three-phase meter replacement | \$159.00 | \$161.00 |
| Unauthorized Connection Charge – for three-phase AMI meter replacement | New | \$250.00 |
| Advanced Meter Opt-Out Charge (One-Time) | \$35.00 | \$80.00 |
| Advanced Meter Opt-Out Charge (Monthly) | \$12.00 | \$20.00 |
| Redundant Capacity - Secondary | \$1.90 | \$3.74 |
| Redundant Capacity - Primary | \$1.28 | \$2.92 |
| EVSE – Networked (Option A) Single Charger | \$133.36 | \$190.97 |
| EVSE – Networked (Option A) Dual Charger | \$195.48 | \$328.17 |
| EVSE – Networked (Option B) Single Charger | New | \$159.15 |
| EVSE – Networked (Option B) Dual Charger | New | \$248.16 |
| EVSE – Non-Networked Single Charger | \$80.40 | \$76.75 |
| EVSE-R – Networked (Option A) Single Charger | \$122.80 | \$151.62 |
| EVSE-R – Networked (Option A) Dual Charger | \$174.37 | \$249.47 |
| EVSE-R – Networked (Option B) Single Charger | New | \$119.80 |
| EVSE-R – Networked (Option B) Dual Charger | New | \$169.46 |
| EVSE-R – Non-Networked Single Charger | \$30.71 | \$37.41 |
| EVC-L2 – Charge per kWh | New | \$0.25 |
| EVC-FAST – Charge per kWh | \$0.25 | \$0.25 |
| Solar Share Program Rider (One-Time) | \$799.00 | \$799.00 |
| Solar Share Program Rider (Monthly) | \$5.55 | \$5.55 |
| Excess Facilities – w/ no CIAC | 1.19% | 1.29% |
| Excess Facilities – w/ CIAC | 0.52% | 0.52% |
| TS – Temporary-to-Permanent | 15% | 15% |
| TS – Seasonal | 100% | 100% |
| SQF/LQF Solar: Single-Axis Tracking; Distribution; 2-Year PPA; Energy | \$29.86 | \$32.40 |
| SQF/LQF Solar: Single-Axis Tracking; Distribution; 7-Year PPA; Energy | \$31.56 | \$37.77 |
| SQF/LQF Solar: Single-Axis Tracking; Transmission; 2-Year PPA; Energy | \$29.05 | \$31.52 |
| SQF/LQF Solar: Single-Axis Tracking; Transmission; 7-Year PPA; Energy | \$30.71 | \$36.75 |
| SQF/LQF Solar: Fixed Tilt; Distribution; 2-Year PPA; Energy | \$30.15 | \$32.43 |
| SQF/LQF Solar: Fixed Tilt; Distribution; 7-Year PPA; Energy | \$31.95 | \$37.86 |
| SQF/LQF Solar: Fixed Tilt; Transmission; 2-Year PPA; Energy | \$29.33 | \$31.55 |
| SQF/LQF Solar: Fixed Tilt; Transmission; 7-Year PPA; Energy | \$31.09 | \$36.84 |
| SQF/LQF Wind; Distribution; 2-Year PPA; Energy | \$28.72 | \$31.47 |
| SQF/LQF Wind; Distribution; 7-Year PPA; Energy | \$30.95 | \$35.90 |
| SQF/LQF Wind; Transmission; 2-Year PPA; Energy | \$27.94 | \$30.62 |
| SQF/LQF Wind; Transmission; 7-Year PPA; Energy | \$30.12 | \$34.93 |
| SQF/LQF Other Technologies; Distribution; 2-Year PPA; Energy | \$28.83 | \$31.38 |
| SQF/LQF Other Technologies; Distribution; 7-Year PPA; Energy | \$31.35 | \$36.36 |
| SQF/LQF Other Technologies; Transmission; 2-Year PPA; Energy | \$28.05 | \$30.54 |
| SQF/LQF Other Technologies; Transmission; 7-Year PPA; Energy | \$30.51 | \$35.38 |