

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF) CASE NO. 2011-00485
LOUISVILLE GAS & ELECTRIC)
COMPANY FROM MAY 1, 2011)
THROUGH OCTOBER 31, 2011)

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 26, 2012, established this case to review and evaluate the operation of the Fuel Adjustment Clause (“FAC”) of Louisville Gas and Electric Company (“LG&E”) for the six-month period that ended on October 31, 2011. As part of this review, LG&E submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing in this matter on March 9, 2012.

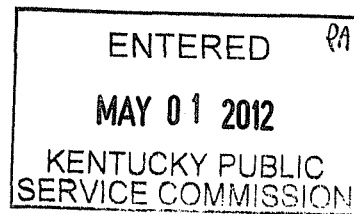
The Commission has previously established LG&E’s base fuel cost as 22.15 mills per kWh.¹ A review of LG&E’s monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 23.92 mills in June 2011 to a high of 25.22 mills in September 2011, with a six-month average of 24.52 mills.

¹ Case No. 2010-00493, An Examination of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 2008 through October 31, 2010 (Ky. PSC May 31, 2011).

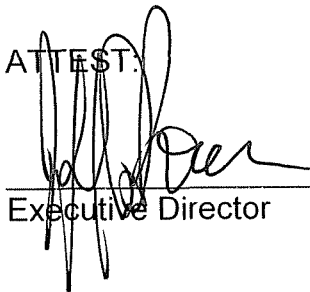
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of LG&E's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by LG&E through its FAC for the period May 1, 2011 through October 31, 2011 are approved.

By the Commission



ATTEST.



Executive Director

Lonnie E Bellar
VP - State Regulation an
Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40202