COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENTS TO THE DEMAND-SIDE	)	
MANAGEMENT BALANCE ADJUSTMENT	)	
COMPONENT ("DBA") OF THE DEMAND SIDE	)	CASE NO.
MANAGEMENT COST RECOVERY MECHANISM	)	2005-00104
OF LOUISVILLE GAS AND ELECTRIC COMPANY	)	

O R D E R

On March 4, 2005, Louisville Gas and Electric Company ("LG&E") filed proposed changes to the Demand-Side Management Balance Adjustment ("DBA") component of its Demand-Side Management Cost Recovery ("DSMCR") tariffs. The changes are based on LG&E's over- or under-recovery of demand-side management program costs incurred in calendar year 2004. The proposed tariffs include an effective date of April 4, 2005. The revised DBA components, with the proposed changes, will remain in effect for 12 months.

LG&E's proposed gas tariff includes increased DBA charges for gas customers served under Residential Rate RGS. There is no rate change for customers served under Firm Commercial Gas service Rate CGS, As Available Gas Service Rate AAGS, Transportation Service Rate TS or Firm Transportation Rate FT. Its proposed electric tariff includes reduced DBA charges for electric customers served under Residential Rate R, Volunteer Fire Department Rate VFD, Residential Prepaid Metering Rate RPM, General Service Rate GS, Small Time-of-Day Rate STOD, Large Commercial Rate LC and Large Commercial Time-of-Day Rate LC-TOD.

Based on a review of the revised tariffs and supporting calculations of LG&E's over- and under-recoveries of DSM costs in 2004, the Commission finds that the proposed tariff changes are reasonable and should be approved effective April 4, 2005.

IT IS THEREFORE ORDERED that:

1.   LG&E's proposed changes to its DSMCR tariffs are approved effective April 4, 2005.

2.   Within 10 days of the date of this Order, LG&E shall file its revised DSMCR tariffs that show the date issued and that they were issued by authority of this Order.

Done at Frankfort, Kentucky, this 23rd day of March, 2005.

By the Commission

ATTEST:

Executive Director

Case No. 2004-00104