



LG&E Energy LLC  
220 West Main Street (40202)  
P.O. Box 32030  
Louisville, Kentucky 40232

April 22, 2005

RECEIVED  
APR 22 2005  
PUBLIC SERVICE  
COMMISSION

Ms. Elizabeth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

**Re: Louisville Gas and Electric Company's Annual Earnings Sharing Mechanism  
Filing for Calendar Year 2003, Case No. 2004-00069**

Dear Ms. O'Donnell:

Louisville Gas & Electric Company herewith files the attached Earnings Sharing Mechanism Form 1a-FINAL, Determination of Earnings Sharing Mechanism Factor for Final Balancing Adjustment for the Prior Adjustment Year of April 2004 through March 2005 in accordance with the provision of Section 1.4 of the Settlement Agreement approved in Case No. 2003-00433.

An Earnings Sharing Mechanism Factor of -2.758% will be applied to bills rendered during the month of May 2005.

Yours very truly,

Robert M. Conroy  
Manager, Rates

Attachment

Cc: Hon. Elizabeth E. Blackford, Assistant Attorney General  
Hon. Michael L. Kurtz

# LOUISVILLE GAS AND ELECTRIC COMPANY

Form 1a-FINAL

## Determination of Earnings Sharing Mechanism Factor for Final Balancing Adjustment Prior Adjustment Year - April 2004 through March 2005 Final Balancing Adjustment - May 2005

<b>1</b>	Revenue Adjustment Authorized for Prior Adjustment Year	\$13,027,688	(a)
<b>2</b>	Balancing Adjustment Authorized for Prior Adjustment Year	\$410,117	(b)
<b>3</b>	Total Adjustment to Revenues Authorized for Prior Adjustment Year	<u>\$13,437,805</u>	(c)
<b>4</b>	Actual Earnings Sharing Mechanism Revenues for Prior Adjustment Year	\$14,873,857	
<b>5</b>	Final Balancing Adjustment to Reconcile (Over-) or Under-Collection	<u>(\$1,436,052)</u>	(d)
<b>6</b>	Actual Jurisdictional Revenue for the Calendar Year 2004	\$624,828,172	
<b>7</b>	Estimated Jurisdictional Revenue for Second Month Following the End of Prior Adjustment Year (1/12 of Line 6)	\$52,069,014	
<b>8</b>	Earnings Sharing Mechanism Factor for Final Balancing Adjustment to be Billed in the Month of May 2005	<b>-2.758%</b>	(e)

- Notes:
- (a) - From Form 1 filing for Prior Reporting Period
  - (b) - From Form 1a filing for Prior Reporting Period
  - (c) - Line 1 plus Line 2
  - (d) - Line 3 minus Line 4
  - (e) - Line 5 divided by Line 7

**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**Actual Earnings Sharing Mechanism Revenues**

	Residential	Small Commercial	Large Commercial	Industrial	Street Lights	Public Authorities	Total
<b>2004</b>							
April	304,523.32	125,865.61	173,321.25	192,191.82	11,796.45	83,885.20	891,583.65
May	359,405.35	148,176.14	192,893.51	221,634.01	12,130.40	97,889.39	1,032,128.80
June	631,882.36	209,497.67	260,361.23	268,084.24	12,273.62	130,096.70	1,512,195.82
July	668,901.62	221,777.48	275,125.97	279,471.62	12,841.37	134,392.53	1,592,510.59
August	589,849.87	209,764.94	269,615.94	274,174.20	12,789.73	133,084.03	1,489,278.71
September	576,266.76	211,328.00	265,476.29	275,111.91	12,779.27	133,925.69	1,474,887.92
October	408,636.94	162,172.49	219,429.70	247,065.84	12,916.91	106,841.41	1,157,063.29
November	362,592.20	149,898.74	202,127.61	233,428.98	13,107.14	98,268.60	1,059,423.27
December	433,326.47	156,334.32	200,422.75	210,667.61	13,288.46	96,440.84	1,110,480.45
<b>2005</b>							
January	535,983.02	170,439.59	221,387.59	233,330.29	13,206.75	104,970.23	1,279,317.47
February	462,702.42	160,480.97	204,777.61	224,020.41	12,944.93	101,077.00	1,166,003.34
March	428,761.88	153,351.63	198,534.46	227,371.98	6,166.95	94,797.12	1,108,984.02
<b>Total</b>	<b>5,762,832.21</b>	<b>2,079,087.58</b>	<b>2,683,473.91</b>	<b>2,886,552.91</b>	<b>146,241.98</b>	<b>1,315,668.74</b>	<b>14,873,857.33</b>