



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

April 23, 2004

RECEIVED

Mr. Thomas Dorman, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

APR 23 2004

PUBLIC SERVICE  
COMMISSION

**Re: Kentucky Utilities Company's Annual Earnings Sharing Mechanism Filing for  
Calendar Year 2003, Case No. 2004-00070**

Dear Mr. Dorman:

Kentucky Utilities Company herewith files the attached Earnings Sharing Mechanism Form 1a, Determination of Balancing Adjustment and Earnings Sharing Mechanism Factor for the Prior Adjustment Year of April 2003 through March 2004 and the Current Adjustment Year of April 2004 through March 2005.

An Earnings Sharing Mechanism Factor of 2.330% will be applied to bills rendered during the last eleven months of the Current Adjustment Year, namely May 2004 through March 2005.

Respectfully,

Robert M. Conroy  
Manager, Rates

Attachment

cc: Hon. Elizabeth E. Blackford, Assistant Attorney General  
Hon. Michael L. Kurtz  
Hon. David J. Barberie, Lexington-Fayette Urban County Government

# KENTUCKY UTILITIES COMPANY

Form 1a

Determination of Balancing Adjustment and Earnings Sharing Mechanism Factor  
 Prior Adjustment Year - April 2003 through March 2004  
 Current Adjustment Year - April 2004 through March 2005

1	Revenue Adjustment Authorized for Prior Adjustment Year	\$11,599,389 (a)
2	Balancing Adjustment Authorized for Prior Adjustment Year	\$179,586 (b)
3	Total Adjustment to Revenues Authorized for Prior Adjustment Year	<u>\$11,778,975 (c)</u>
4	Actual Earnings Sharing Mechanism Revenues for Prior Adjustment Year	\$12,015,210
5	Balancing Adjustment for Current Adjustment Year	<u>(\$236,235) (d)</u>
6	Revenue Adjustment for Current Reporting Period	\$16,232,669 (e)
7	Estimated Revenue Adjustment for First Month of Current Adjustment Year (1/12 of Line 6)	\$1,352,722
8	Estimated Revenue Adjustment for Last Eleven Months of Current Adjustment Year	<u>\$14,879,947 (f)</u>
9	Total Revenue Adjustment Plus Balancing Adjustment for Last Eleven Months of Current Adjustment Year	\$14,643,712 (g)
10	Actual Jurisdictional Revenue for the Current Reporting Period	\$685,735,400 (h)
11	Estimated Jurisdictional Revenue for First Month of Current Adjustment Year (1/12 of Line 10)	<u>\$57,144,617</u>
12	Estimated Jurisdictional Revenue for Last Eleven Months of Current Adjustment Year	<u>\$628,590,783</u>
13	Earnings Sharing Mechanism Factor for Last Eleven Months of Current Adjustment Year	<b>2.330% (i)</b>

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) - From Form 1 filing for Current Reporting Period
- (f) - Line 6 minus Line 7
- (g) - Line 5 plus Line 8
- (h) - From Form 1 filing for Current Reporting Period
- (i) - Line 9 divided by Line 12

**KENTUCKY UTILITIES COMPANY**  
**Actual Earnings Sharing Mechanism Revenues**

	Residential	Commercial	Industrial	Street Lights &		Public Authorities &	Total
				Mine Power	Municipal Pumping		
<b>2003</b> April	267,673.41	206,291.44	215,657.90	33,939.32	65,807.92	789,369.99	
May	250,395.00	214,405.28	220,584.71	36,348.37	71,236.53	792,969.89	
June	312,369.55	267,933.11	276,080.42	39,709.95	85,310.86	981,403.89	
July	415,317.35	296,889.52	276,583.37	38,464.39	88,321.37	1,115,576.00	
August	388,591.86	272,134.92	248,723.35	35,722.39	85,949.01	1,031,121.53	
September	402,244.82	292,600.41	268,380.79	37,944.58	96,123.28	1,097,293.88	
October	292,770.17	253,012.14	279,970.37	40,129.06	79,698.08	945,579.82	
November	279,283.39	224,530.27	247,895.30	38,768.59	70,026.14	860,503.69	
December	427,908.48	264,303.85	267,548.47	41,833.23	81,583.70	1,083,177.73	
<b>2004</b> January	530,300.70	283,567.34	257,617.58	42,627.48	81,065.93	1,195,179.03	
February	509,612.73	271,243.84	255,042.25	38,923.19	81,909.62	1,156,731.63	
March	374,227.21	237,384.58	245,334.17	38,314.11	71,042.40	966,302.47	
<b>Total</b>	<b>4,450,694.67</b>	<b>3,084,296.70</b>	<b>3,059,418.68</b>	<b>462,724.66</b>	<b>958,074.84</b>	<b>12,015,209.55</b>	