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June 21, 2005

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PUBLIC SERVICE
COMMISSION

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RE: In the Matter of: Louisville Gas and Electric Company / Alleged Failure to Comply with Commission Regulation 807 KAR 5:041, Section 3(1)
KPSC Case No. 2004-00096

Dear Ms. O'Donnell:

Enclosed please find for filing and presentation to the Commission the original and ten (10) copies of an Addendum to Settlement Agreement in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Very truly yours,

J. Gregory Cornett

JGC/ec

Enclosures

cc: Anita Mitchell (w/encl)
James Dimas (w/encl)

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY)
 _____) CASE NO. 2004-00096
)
 ALLEGED FAILURE TO COMPLY WITH)
 COMMISSION REGULATION 807 KAR 5:041,)
 SECTION 3(1))

ADDENDUM TO SETTLEMENT AGREEMENT

This ADDENDUM TO SETTLEMENT AGREEMENT is made and entered into this 17th day of June, 2005, by and between LOUISVILLE GAS AND ELECTRIC COMPANY ("LG&E") and the STAFF OF THE PUBLIC SERVICE COMMISSION ("Commission Staff").

WITNESSETH:

WHEREAS, LG&E and Commission Staff entered into a Settlement Agreement in this proceeding on September 20, 2004; and

WHEREAS, LG&E and Commission Staff desire to amend Article 1 of that Settlement Agreement.

NOW THEREFORE, LG&E and Commission Staff agree that:

1. Article 1 of the Settlement Agreement entered on September 20, 2004 by and between LG&E shall be amended to state as follows:


ARTICLE 1 Negotiated Settlement Amount

Within ten (10) days after the entry of an order approving this Settlement Agreement, LG&E shall pay to the Commonwealth of

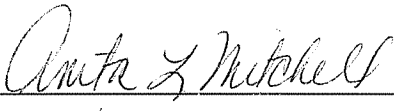
Kentucky the sum of two thousand five hundred dollars (\$2,500.00) in full satisfaction of any applicable possible civil fines associated with the outcome of this proceeding. This payment shall be in the form of a cashier's check made payable to the "Treasurer of the Commonwealth of Kentucky" and shall be mailed or delivered to the Office of General Counsel, Public Service Commission of Kentucky, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40602.

2. All other provisions of the Settlement Agreement entered into on September 20, 2004 shall remain unchanged.

LOUISVILLE GAS AND ELECTRIC
COMPANY

BY 
TITLE SENIOR CORPORATE ATTORNEY
DATE June 20, 2005

STAFF OF THE PUBLIC SERVICE
COMMISSION OF KENTUCKY

BY 
TITLE Staff Attorney
DATE June 16, 2005