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December 19, 2005

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PUBLIC SERVICE  
COMMISSION

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

**RE: The Plan of Louisville Gas and Electric Company for the Value Delivery Surcredit Mechanisms  
Case No. 2005-00352 [Updates to Supplemental Data Request Question No. 5]**

Dear Ms. O'Donnell:

Pursuant to the directive in the Commission Staff's Supplemental Data Request dated November 14, 2005 and originally filed November 23, 2005, LG&E hereby files an original and five (5) copies of updates to Question No. 5, the (1) administrative expenses related to the Midwest Independent System Operator's ("MISO") "Day 2" operations; (2) revenue neutrality uplift charges associated with MISO's "Day 2" operations; and (3) revenue sufficiency guarantee make-whole payments and the related charges associated with MISO's "Day 2" operations.

Please confirm your receipt of these documents by placing the File Stamp of your Office on the enclosed additional copy.

Should you have any questions concerning the enclosed, please do not hesitate to contact me.

Sincerely,

Kent W. Blake

cc: Elizabeth E. Blackford  
Michael L. Kurtz  
David F. Boehm

**LOUISVILLE GAS AND ELECTRIC COMPANY****CASE NO. 2005-00352****Updated Monthly Response to Commission Staff's Supplemental Data Request  
Dated November 14, 2005****Updated Response Filed December 20, 2005****Question No. 5****Responding Witness: Valerie L. Scott**

Q-5. Refer to the responses to Items 8, 9, and 10 of Staff's initial request in which LG&E provided amounts for September 2005 to update the information through August 2005, contained in its application, for (1) administrative expenses related to the Midwest Independent System Operator's ("MISO") "Day 2" operations; (2) revenue neutrality uplift charges associated with MISO's "Day 2" operations; and (3) revenue sufficiency guarantee make-whole payments and the related charges associated with MISO's "Day 2" operations.

- a. Provide the amounts for each of the three items listed above for the month of October 2005.
- b. Consider this a continuing request. Provide on a monthly basis as they become available, the amounts for each of the three items listed above, for the remainder of this proceeding until directed otherwise.

A-5. a. The requested information for the month of October 2005 is shown below.

Schedule 16 – expense	\$32,300.41
Schedule 17 – expense	\$113,266.39
Revenue Neutrality Uplift – expense	\$843,263.86
RSG Make Whole Payment – revenue	\$1,664,076.81
RSG Distribution Amount – expense	\$1,021,944.00
Production cost for RSG payment – expense	\$1,150,248.89

As the Company indicated in its response to Item 9 of the Staff's initial data request, MISO changed its methodology for determining over-collected losses which impacted the revenue neutrality uplift charge. This change was retroactive to the inception of Day 2 and its impact on the revenue neutrality uplift charge and corresponding offset to other line items continues to flow through the MISO settlement statements. These corresponding changes to other line items on the MISO settlement statement continue to impact the Company's cost of providing service.

- b. The Company will provide monthly updates as requested.

The requested information for the month of November 2005 is shown below.

Schedule 16 – expense	\$27,409.41
Schedule 17 – expense	\$191,257.80
Revenue Neutrality Uplift – expense	\$553,758.84
RSG Make Whole Payment – revenue	\$1,655,830.88
RSG Distribution Amount – expense	\$887,368.32
Production cost for RSG payment – expense	\$1,286,392.15