



Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602

E.ON U.S. LLC
Corporate Law Department
220 W. Main Street
P.O. Box 32030
Louisville, Kentucky 40232
www.eon-us.com

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COMMISSION

Greg Cornett
Sr. Corporate Attorney
T 502-627-2756
F 502-627-3367
Greg.Cornett@eon-us.com

December 14, 2007

Dear Ms. O'Donnell:

Enclosed for filing please find the original and ten copies of the Application of Louisville Gas and Electric Company for Approval of Revisions to Its Tariff Governing Recovery of Franchise Fees. Please mark the extra copy as filed and return it to me in the enclosed self-addressed, stamped envelope.

If you have any questions, please contact me.

Respectfully,


Greg Cornett

JGC/nlp
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR APPROVAL OF) CASE NO. 2007-00521
REVISIONS TO ITS TARIFF GOVERNING)
RECOVERY OF FRANCHISE FEES)

APPLICATION

Louisville Gas and Electric Company ("LG&E" or the "Company") hereby petitions the Kentucky Public Service Commission ("Commission") to issue an Order approving the proposed revisions to the Company's Franchise Fee and Local Tax standard rider, to include the City of Pleasureville, Kentucky. A copy of the proposed revised tariff is attached hereto. This application is made pursuant to 807 KAR 5:011, Section 6(3)(a). In support of this Application, LG&E respectfully states:

1. The full name and mailing address of LG&E is: Louisville Gas and Electric Company, Post Office Box 32010, 220 West Main Street, Louisville, Kentucky 40232. LG&E is a Kentucky corporation authorized to do business in the Commonwealth of Kentucky.
2. LG&E is a utility engaged in the electric and gas business. LG&E generates and purchases electricity, and distributes and sells electricity at retail in Jefferson County and portions of Bullitt, Hardin, Henry, Meade, Oldham, Shelby, Spencer and Trimble Counties. LG&E also purchases, stores and transports natural gas and distributes and sells natural gas at retail in Jefferson County and portions of Barren, Bullitt, Green,

Hardin, Hart, Henry, Larue, Marion, Meade, Metcalfe, Nelson, Oldham, Shelby, Spencer, Trimble and Washington Counties.

3. A certified copy of LG&E's Articles of Incorporation, as amended, is on file with the Commission in Case No. 2005-00471, In the Matter of: Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Authority to Transfer Functional Control of their Transmission System, and is incorporated by reference herein pursuant to 807 KAR 5:001, Section 8(3).
4. Copies of all orders, pleadings and other communications related to this proceeding should be directed to:

J. Gregory Cornett
Senior Corporate Attorney
E.ON U.S. LLC
220 West Main Street
Louisville, Kentucky 40202
(502) 627-2756

Lonnie E. Bellar
VP, State Regulation and Rates
E.ON U.S. LLC
220 West Main Street
Louisville, KY 40202
(502) 627-4830

5. On May 5, 2005 the Commission granted a certificate of convenience and necessity to LG&E to bid on a gas franchise in the city of Pleasureville, Kentucky. LG&E subsequently bid on that franchise, and was the successful bidder. A franchise agreement was entered into on October 3, 2005, and copies of that agreement are simultaneously being filed with the Commission. To date, however, the Company has not collected any amounts from its customers pursuant to the franchise at issue, due to an oversight in amending its applicable tariff.

6. In order to begin prospectively collecting the franchise fee from customers receiving service in the city of Pleasureville, LG&E is seeking to amend its Franchise fee and Local Tax rider to include the city of Pleasureville in that tariff.
7. The following change is proposed for Original Sheet No. 74 (additions shown in italics):

<u>Municipality or Political Subdivision</u>	<u>Franchise Fee or Local Tax Rate</u>
City of Radcliff, Kentucky	3% of Gross Receipts
City of Muldraugh, Kentucky	3% of Gross Receipts
City of West Point, Kentucky	3% of Gross Receipts
<i>City of Pleasureville, Kentucky</i>	<i>1% of Gross Receipts</i>

WHEREFORE, Louisville Gas and Electric Company respectfully requests that the Kentucky Public Service Commission issue an order granting it the following relief:

1. approving the attached tariff revision on the effective date indicated;
and
2. any and all other relief to which it may be entitled.

Dated this 14th day of December, 2007.

Respectfully submitted,



J. Gregory Cornett
 Senior Corporate Attorney
 E.ON U.S. LLC
 220 West Main Street
 Louisville, Kentucky 40202
 (502) 627-2756
 Counsel for Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Application was served via U.S. mail, first-class, postage prepaid, this 14th day of December, 2007 upon the following persons:

Dennis Howard II
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204



Counsel for Louisville Gas and Electric
Company

STANDARD RIDER

Franchise Fee and Local Tax

APPLICABILITY

All gas rate schedules.

MONTHLY CHARGE

A surcharge shall be calculated and added to the total bill for gas service for all customers located within local governmental jurisdictions which impose municipal franchise fees or other local taxes on the Company by ordinance, franchise, or otherwise. Such fees or taxes shall be net of any corresponding fees or taxes which are currently included in the base charges of each rate schedule.

The amount calculated shall be applied exclusively to the bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. The fee or tax shall be added to the customer's bill as a separate item. Where more than one such fee or tax is imposed, each of the fees or taxes applicable to each customer shall be added to the bills as separately identified items.

Customers receiving service in the following local jurisdictions shall pay the applicable franchise fee or local tax based on the following effective rates:

<u>Municipality or Political Subdivision</u>	<u>Franchise Fee or Local Tax Rate</u>
City of Radcliff, Kentucky	3% of Gross Receipts
City of Muldraugh, Kentucky	3% of Gross Receipts
City of West Point, Kentucky	3% of Gross Receipts
City of Pleasureville, Kentucky	1% of Gross Receipts

T

**Date of Issue: December 14, 2007
Canceling Original Sheet No. 74
Issued July 20, 2004**

Issued By

**Date Effective: With Service Rendered
On and After
February 1, 2008**

**Lonnie E. Bellar, Vice President
Louisville, Kentucky**

STANDARD RIDER

Franchise Fee and Local Tax

APPLICABILITY

All gas rate schedules.

MONTHLY CHARGE

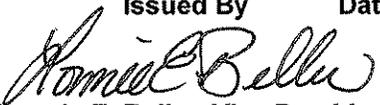
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