

Louisville Gas and Electric Company				
Summary of Annual Maintenance Expense				
For the Years, 1988 - 2007				
	2000	2001	2002	2003
Steam Power Generation:				
(510) Maint. Supervision and Engineering	1,093,560	984,403	1,215,311	1,276,492
(511) Maint. of Structures	2,151,999	1,322,118	1,356,674	1,572,623
(512) Maint. of Boiler Plant	27,738,748	25,273,379	24,202,326	25,680,596
(513) Maint. of Electric Plant	4,438,177	6,688,255	6,714,433	6,500,734
(514) Maint. of Misc. Steam Plant	3,436,099	1,347,249	1,818,096	926,973
Total Steam Generation Maintenance	38,858,583	35,615,404	35,306,840	35,957,418
Hydraulic Power Generation:				
(541) Maint. Supervision and Engineering	0	0	0	0
(542) Maint. of Structures	19,776	24,037	21,466	121,908
(543) Maint. of Reservoirs, Dams & Waterways	0	0	0	15,558
(544) Maint. of Electric Plant	367,251	551,014	899,181	748,349
(545) Maint. of Misc. Hydraulic Plant	50,313	37,285	79,337	5,915
Total Hydraulic Pwr Generation Maintenance	437,340	612,336	999,984	891,730
Other Power Generation:				
(551) Maint. Supervision and Engineering	22,838	14,647	14,822	8,023
(552) Maint. of Structures	61,306	618,615	70,721	(549,843)
(553) Maint. of Generating and Electric Plant	852,093	344,978	411,287	221,272
(554) Maint. of Misc. Other Pwr Generation Plant	71,380	105,020	192,302	46,501
Total Other Power Generation Maintenance	1,007,617	1,083,260	689,132	(274,047)
Electric Transmission:				
(568) Maint. Supervision and Engineering	223,011	56,900	0	0
(569) Maint. of Structures	94,626	29,938	21,728	10,538
(570) Maint. of Station Equipment	589,496	777,371	849,884	765,901
(571) Maint. of Overhead Lines	626,043	536,511	702,332	486,502
(572) Maint. of Underground Lines	0	0	0	0
(573) Maint. of Misc. Transmission Plant	0	4,599	22,192	25,095
Total Electric Transmission Maintenance	1,533,176	1,405,319	1,596,136	1,288,036
Electric Distribution:				
(590) Maint. Supervision and Engineering	284,434	151,441	42,216	24,715
(591) Maint. of Structures	449,339	445,442	248,024	338,459
(592) Maint. of Station Equipment	496,883	745,065	654,415	664,619
(593) Maint. of Overhead Lines	6,531,872	6,704,932	7,674,746	6,806,827
(594) Maint. of Underground Lines	443,248	897,168	1,261,367	1,289,353
(595) Maint. of Line Transformers	283,896	341,023	397,589	259,529
(596) Maint. of St. Lighting and Signal Systems	468,987	646,420	89,020	14,267
(597) Maint. of Meters	(91,204)	(102,704)	(88,979)	(114,036)
(598) Maint. of Misc. Distribution Plant	149,170	256,957	262,868	154,899
Total Electric Distribution Maintenance	9,016,625	10,085,744	10,541,266	9,438,632

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	2000	2001	2002	2003
Underground Storage:				
(830) Maint. Supervision and Engineering	425,743	356,976	304,538	262,845
(831) Maint. Of Structures and Improvements	0	0	0	0
(832) Maint. Of Reservoirs and Wells	278,858	330,464	256,007	439,858
(833) Maint. Of Lines	11,868	13,465	7,680	28,992
(834) Maint. Of compressor Station Equipment	494,434	332,922	494,892	492,617
(835) Maint. Of Measuring and Reg. Station Equipment	20,249	20,837	24,649	77,703
(836) Maint. Of Purification Equipment	211,855	349,527	234,463	162,461
(837) Maint. Of Other Equipment	14,867	28,245	55,584	139,405
Total Undersground Storage Maint. Expense	1,457,874	1,432,436	1,377,813	1,603,881
Gas Transmission:				
(861) Maintenance Supervision and Engineering	10,291	0	0	0
(862) Maint. Of Structures and Improvements	0	0	0	0
(863) Maint. Of Mains	10,593	15,142	3,833	244,102
(864) Maint. Of Compressor Station Equipment	0	0	0	0
(865) Maint. Of Measuring and Reg. Station Equipment	0	0	0	0
(866) Maint. Of Communication Equipment	0	0	0	0
(867) Maint. Of Other Equipment	0	0	0	0
Total Gas Transmission Maint. Expense	20,884	15,142	3,833	244,102
Gas Distribution:				
(885) Maintenance Supervision and Engineering	140,858	84,740	10,071	0
(886) Maint. Of Structures and Improvements	244,981	253,494	178,082	208,977
(887) Maint. Of Mains	1,575,921	2,477,887	4,983,159	4,034,408
(888) Maint. Of Compressor Station Equipment	0	0	0	0
(889) Maint. Of Meas. And Reg. Sta. Equip. - General	49,328	54,269	35,002	31,850
(890) Maint. Of Meas. And Reg. Sta. Equip - Industrial	141,223	100,412	97,014	67,736
(891) Maint. Of Meas. And Reg. Sta. Equip - City Gate Check Station	129,436	105,652	47,055	194,916
(892) Maint. Of Services	467,646	525,277	595,947	634,791
(893) Maint. Of Meters and House Regulators	103,959	75,172	19,776	0
(894) Maint. Of Other Equipment	51,857	52,320	102,421	122,798
Total Gas Distribution Maintenance	2,905,209	3,729,223	6,068,527	5,295,476
Administrative and General:				
(935) Maint. of General Plant - Electric	6,451,697	3,545,301	162,513	2,058,115
(935) Maint. of General Plant - Gas	2,019,974	1,163,520	36,141	666,778
Total Adm. and General Maintenance	8,471,671	4,708,821	198,654	2,724,893
Total Annual Maintenance Expense:	63,708,979	58,687,685	56,782,185	57,170,121

Louisville Gas and Electric Company Summary of Annual Maintenance Expense For the Years, 1988 - 2007				
	2004	2005	2006	2007
Steam Power Generation:				
(510) Maint. Supervision and Engineering	1,326,084	1,423,018	1,971,715	2,047,906
(511) Maint. of Structures	1,806,654	1,584,457	1,963,994	2,366,221
(512) Maint. of Boiler Plant	24,982,533	24,560,096	30,445,817	33,688,610
(513) Maint. of Electric Plant	7,941,036	6,376,640	7,312,591	5,541,312
(514) Maint. of Misc. Steam Plant	1,294,838	1,347,348	1,431,725	1,296,736
Total Steam Generation Maintenance	37,351,145	35,291,559	43,125,842	44,940,785
Hydraulic Power Generation:				
(541) Maint. Supervision and Engineering	0	0	3,057	6,049
(542) Maint. of Structures	310,186	62,368	83,847	166,673
(543) Maint. of Reservoirs, Dams & Waterways	474,344	124,727	76,652	10,094
(544) Maint. of Electric Plant	557,015	345,322	125,119	264,531
(545) Maint. of Misc. Hydraulic Plant	23,577	0	0	0
Total Hydraulic Pwr Generation Maintenance	1,365,122	532,417	288,675	447,347
Other Power Generation:				
(551) Maint. Supervision and Engineering	12,688	18,791	20,103	21,550
(552) Maint. of Structures	60,562	111,857	94,507	108,362
(553) Maint. of Generating and Electric Plant	586,840	1,078,800	514,243	2,017,744
(554) Maint. of Misc. Other Pwr Generation Plant	154,777	91,583	238,052	99,206
Total Other Power Generation Maintenance	814,867	1,301,031	866,905	2,246,862
Electric Transmission:				
(568) Maint. Supervision and Engineering	0	0	0	0
(569) Maint. of Structures	13,261	13,611	13,848	11,477
(570) Maint. of Station Equipment	837,695	905,022	948,123	983,605
(571) Maint. of Overhead Lines	344,858	552,860	550,618	695,122
(572) Maint. of Underground Lines	0	0	0	0
(573) Maint. of Misc. Transmission Plant	27,455	2,966	124,997	3,565
Total Electric Transmission Maintenance	1,223,269	1,474,459	1,637,586	1,693,769
Electric Distribution:				
(590) Maint. Supervision and Engineering	14,496	1,627	17,732	14,794
(591) Maint. of Structures	331,493	599,825	670,997	757,829
(592) Maint. of Station Equipment	672,495	661,067	1,018,271	744,470
(593) Maint. of Overhead Lines	16,219,747	7,847,180	11,772,129	10,287,075
(594) Maint. of Underground Lines	1,697,503	1,549,277	1,843,750	1,509,199
(595) Maint. of Line Transformers	282,066	147,057	184,777	230,867
(596) Maint. of St. Lighting and Signal Systems	14,900	88,833	172,308	779,872
(597) Maint. of Meters	0	(217,128)	0	0
(598) Maint. of Misc. Distribution Plant	173,324	267,188	330,971	437,400
Total Electric Distribution Maintenance	19,406,024	10,944,926	16,010,935	14,761,506

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	2004	2005	2006	2007
Underground Storage:				
(830) Maint. Supervision and Engineering	280,605	247,742	255,593	330,530
(831) Maint. Of Structures and Improvements	0	0	0	0
(832) Maint. Of Reservoirs and Wells	467,095	369,306	414,411	470,455
(833) Maint. Of Lines	38,937	105,929	(12,439)	91,541
(834) Maint. Of compressor Station Equipment	671,374	882,730	1,190,532	904,999
(835) Maint. Of Measuring and Reg. Station Equipment	33,898	19,211	13,546	49,318
(836) Maint. Of Purification Equipment	339,874	234,290	290,125	229,877
(837) Maint. Of Other Equipment	134,986	161,303	115,812	90,806
Total Underground Storage Maint. Expense	1,966,769	2,020,511	2,267,580	2,167,526
Gas Transmission:				
(861) Maintenance Supervision and Engineering	0	0	0	0
(862) Maint. Of Structures and Improvements	0	0	0	0
(863) Maint. Of Mains	567,937	356,695	706,684	649,692
(864) Maint. Of Compressor Station Equipment	0	0	0	0
(865) Maint. Of Measuring and Reg. Station Equipment	0	0	0	0
(866) Maint. Of Communication Equipment	0	0	0	0
(867) Maint. Of Other Equipment	0	0	0	0
Total Gas Transmission Maint. Expense	567,937	356,695	706,684	649,692
Gas Distribution:				
(885) Maintenance Supervision and Engineering	0	0	0	0
(886) Maint. Of Structures and Improvements	254,287	469,345	495,374	522,008
(887) Maint. Of Mains	4,214,692	4,199,756	4,672,076	5,710,328
(888) Maint. Of Compressor Station Equipment	0	0	0	0
(889) Maint. Of Meas. And Reg. Sta. Equip. - General	42,199	25,930	90,505	50,232
(890) Maint. Of Meas. And Reg. Sta. Equip - Industrial	78,356	78,680	100,685	116,326
(891) Maint. Of Meas. And Reg. Sta. Equip - City Gate Check Station	303,066	286,477	296,318	260,903
(892) Maint. Of Services	868,606	877,771	972,347	1,826,235
(893) Maint. Of Meters and House Regulators	0	0	0	0
(894) Maint. Of Other Equipment	100,682	159,461	101,179	233,047
Total Gas Distribution Maintenance	5,861,888	6,097,420	6,728,484	8,719,079
Administrative and General:				
(935) Maint. of General Plant - Electric	3,187,331	4,130,391	5,502,941	5,138,093
(935) Maint. of General Plant - Gas	1,038,252	1,419,023	1,900,021	1,777,335
Total Adm. and General Maintenance	4,225,583	5,549,414	7,402,962	6,915,428
Total Annual Maintenance Expense:	72,782,604	63,568,432	79,035,653	82,541,994

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 24

Witness: John J. Spanos

- Q-24. Please explain what consideration, if any, was given to annual maintenance expense data in Mr. Spanos's estimation of service lives, dispersion patterns and net salvage.
- A-24. Maintenance expense is an ongoing activity for utilities. Therefore, Mr. Spanos considers any changes to annual maintenance and whether maintenance practices will alter capital expenditures. There were no plans to change the current maintenance practices; therefore, future service lives, dispersion patterns and net salvage were not altered by maintenance.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 25

Witness: John J. Spanos

Q-25. If not provided elsewhere, please provide the calculation of the proposed depreciation rates in electronic format (Excel) with all formulae intact.

A-25. Please see the attachment to the response for AG-16.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 26

Witness: John J. Spanos

Q-26. Does the Company maintain its book reserve by plant account? If not, please explain why not, and provide the calculation of the 2006 recorded reserve shown in the Depreciation Study.

A-26. The Company maintains its book reserve by plant account.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 27

Witness: John J. Spanos

- Q-27. Was reciprocal, harmonic, or ELG weighting used in any of the depreciation rate calculations? If yes, please provide all calculations using direct weighting. Also, provide this in hardcopy and in electronic format (Excel).
- A-27. The depreciation study calculations for LG&E were performed using ELG weighting. The attached documents set forth the depreciation rates using direct weighting for electric, gas and common plant. The electronic Excel files are included on the attached CD.

LOUISVILLE GAS AND ELECTRIC - ELECTRIC
SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND
CALCULATED ANNUAL DEPRECIATION RATES AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL		COMPOSITE REMAINING LIFE (9)=(6)/(7)	
						ACCRUAL AMOUNT (7)	ACCRUAL RATE (8)=(7)/(4)		
DEPRECIABLE PLANT									
<u>STEAM PRODUCTION PLANT</u>									
311.00	STRUCTURES AND IMPROVEMENTS								
	100-S4	*	(10)	4,233,981.48	4,657,380	0	0	-	-
	100-S4	*	(10)	2,102,942.00	2,313,236	0	0	-	-
	100-S4	*	(10)	3,532,140.00	3,885,354	0	0	-	-
	100-S4	*	(10)	3,819,018.36	3,700,903	500,017	43,483	1.14	11.5
	100-S4	*	(10)	760,360.00	753,417	82,979	7,216	0.95	11.5
	100-S4	*	(10)	6,165,918.13	4,945,198	1,837,311	118,575	1.92	15.5
	100-S4	*	(10)	1,696,435.00	1,457,117	408,962	26,385	1.56	15.5
	100-S4	*	(10)	19,346,501.56	14,467,279	6,813,872	412,998	2.13	16.5
	100-S4	*	(10)	1,894,852.32	1,447,631	636,706	38,589	2.04	16.5
	100-S4	*	(10)	19,168,217.08	14,961,980	6,123,058	314,104	1.64	19.5
	100-S4	*	(10)	1,716,995.50	1,334,642	554,053	28,413	1.65	19.5
	100-S4	*	(10)	10,812,787.99	8,891,316	3,002,752	154,053	1.42	19.5
	100-S4	*	(10)	1,393,404.00	1,042,003	490,742	25,166	1.81	19.5
	100-S4	*	(10)	24,963,587.02	16,321,633	11,138,313	377,906	1.51	29.5
	100-S4	*	(10)	362,867.00	242,320	156,834	5,321	1.47	29.5
	100-S4	*	(10)	60,311,484.02	33,408,461	32,934,172	1,116,682	1.85	29.5
	100-S4	*	(10)	5,307,313.20	3,088,191	2,749,854	93,241	1.76	29.5
	100-S4	*	(10)	160,498,043.70	77,910,799	98,637,049	3,343,629	2.08	29.5
	100-S4	*	(10)	511,308.94	218,024	344,415	11,675	2.28	29.5
	TOTAL ACCOUNT 311 - STRUCTURES AND IMPROVEMENTS			328,598,157.30	195,046,884	166,411,089	6,117,436	1.86	27.2
312.00	BOILER PLANT EQUIPMENT								
	25-R2		20	51,549.42	36,630	4,610	1,376	2.67	3.4
	25-R2		20	1,501,772.81	512,129	689,289	47,179	3.14	14.6
	45-R1.5	*	(30)	1,053,742.00	1,369,865	0	0	-	-
	45-R1.5	*	(30)	132,837.00	172,688	0	0	-	-
	45-R1.5	*	(30)	711,484.00	924,929	0	0	-	-
	45-R1.5	*	(30)	30,277,226.79	20,066,982	19,293,415	1,779,445	5.88	10.8
	45-R1.5	*	(30)	17,091,727.81	13,099,553	9,119,694	842,118	4.93	10.8
	45-R1.5	*	(30)	34,767,159.48	14,352,753	30,844,556	2,123,052	6.11	14.5
	45-R1.5	*	(30)	28,107,437.90	20,525,754	16,013,915	1,144,553	4.07	14.0
	45-R1.5	*	(30)	47,135,674.34	24,185,127	37,091,250	2,447,781	5.19	15.2
	45-R1.5	*	(30)	32,184,156.61	20,326,901	21,512,505	1,433,923	4.46	15.0
	45-R1.5		(30)	43,503.00	5,749	50,805	1,253	2.88	40.5
	25-R2		20	613,424.43	390,413	100,326	17,759	2.90	5.6
	25-R2		20	3,593,111.63	1,297,004	1,577,485	112,593	3.13	14.0
	45-R1.5	*	(30)	47,559,197.98	27,486,678	34,340,281	2,017,034	4.24	17.0
	45-R1.5	*	(30)	42,349,730.64	21,544,768	33,509,882	1,906,048	4.50	17.6
	45-R1.5	*	(30)	47,357,145.83	22,652,893	38,911,399	2,224,652	4.70	17.5
	45-R1.5	*	(30)	34,424,938.00	19,066,590	25,685,828	1,471,758	4.28	17.5
	45-R1.5	*	(30)	137,324,677.88	46,888,293	131,633,788	5,315,203	3.87	24.8
	45-R1.5	*	(30)	63,097,998.79	20,709,267	61,318,130	2,430,640	3.85	25.2
	45-R1.5	*	(30)	237,560,968.44	79,931,180	228,898,079	9,149,899	3.85	25.0
	45-R1.5	*	(30)	113,648,645.53	42,505,023	105,238,217	4,217,865	3.71	25.0
	45-R1.5	*	(30)	246,928,938.61	99,220,519	221,787,100	8,936,912	3.62	24.8
	45-R1.5	*	(30)	63,159,341.63	25,547,919	56,559,226	2,283,712	3.62	24.8
	TOTAL ACCOUNT 312 - BOILER PLANT EQUIPMENT			1,230,676,390.55	522,819,607	1,074,179,780	49,904,755	4.06	21.5

LOUISVILLE GAS AND ELECTRIC - ELECTRIC
 SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND
 CALCULATED ANNUAL DEPRECIATION RATES AS OF DECEMBER 31, 2006

ACCOUNT	SURVIVOR CURVE	NET SALVAGE PERCENT	ORIGINAL COST	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	ACCRALED RATE	COMPOSITE REMAINING LIFE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=(7)/(4)	(9)=(6)/(7)
314.00	TURBOGENERATOR UNITS							
CANE RUN UNIT 1	50-S1.5	*	(10)	106,008.99	116,610	0	0	-
CANE RUN UNIT 2	50-S1.5	*	(10)	19,999.00	21,999	0	0	-
CANE RUN UNIT 3	50-S1.5	*	(10)	581,177.00	639,295	0	0	-
CANE RUN UNIT 4	50-S1.5	*	(10)	9,122,982.05	6,940,308	3,094,973	281,454	3.09
CANE RUN UNIT 5	50-S1.5	*	(10)	7,375,364.74	5,866,535	2,246,368	163,870	2.22
CANE RUN UNIT 6	50-S1.5	*	(10)	14,984,949.73	8,856,713	7,626,733	492,632	3.29
MILL CREEK UNIT 1	50-S1.5	*	(10)	14,332,084.36	10,703,863	5,061,429	308,786	2.15
MILL CREEK UNIT 2	50-S1.5	*	(10)	16,626,879.81	11,332,777	6,956,793	408,590	2.46
MILL CREEK UNIT 3	50-S1.5	*	(10)	27,112,329.06	16,600,110	13,223,451	583,601	2.15
MILL CREEK UNIT 4	50-S1.5	*	(10)	42,108,819.15	23,449,967	22,869,734	965,365	2.29
TRIMBLE COUNTY - UNIT 1	50-S1.5	*	(10)	66,954,098.52	32,091,281	41,558,228	1,659,977	2.48
<i>TOTAL ACCOUNT 314 - TURBOGENERATOR UNITS</i>			199,324,692.41	116,619,458	102,637,709	4,864,275	2.44	21.1
315.00	ACCESSORY ELECTRIC EQUIPMENT							
CANE RUN UNIT 1	50-S2	*	(5)	1,891,012.00	1,985,563	0	0	-
CANE RUN UNIT 2	50-S2	*	(5)	1,277,223.00	1,341,084	0	0	-
CANE RUN UNIT 3	50-S2	*	(5)	767,325.00	805,691	0	0	-
CANE RUN UNIT 4	50-S2	*	(5)	5,474,319.06	3,765,370	1,982,665	173,811	3.18
CANE RUN-SO2 UNIT 4	50-S2	*	(5)	987,949.00	954,150	83,196	8,070	0.82
CANE RUN UNIT 5	50-S2	*	(5)	6,856,291.05	4,124,255	3,074,850	203,759	2.97
CANE RUN-SO2 UNIT 5	50-S2	*	(5)	2,216,498.98	1,871,683	455,643	33,008	1.49
CANE RUN UNIT 6	50-S2	*	(5)	8,571,566.71	5,190,930	3,809,214	239,602	2.80
CANE RUN-SO2 UNIT 6	50-S2	*	(5)	2,124,667.00	1,791,940	438,961	30,600	1.44
MILL CREEK UNIT 1	50-S2	*	(5)	14,425,285.62	7,799,790	7,346,761	396,691	2.75
MILL CREEK-SO2 UNIT 1	50-S2	*	(5)	5,541,695.00	4,265,624	1,553,156	92,624	1.67
MILL CREEK UNIT 2	50-S2	*	(5)	6,428,715.51	4,451,613	2,298,539	130,483	2.03
MILL CREEK-SO2 UNIT 2	50-S2	*	(5)	4,505,053.40	3,448,071	1,282,235	76,226	1.69
MILL CREEK UNIT 3	50-S2	*	(5)	13,482,711.00	9,621,338	4,535,509	213,036	1.58
MILL CREEK-SO2 UNIT 3	50-S2	*	(5)	2,531,773.00	1,823,126	835,236	39,555	1.56
MILL CREEK UNIT 4	50-S2	*	(5)	20,755,277.95	13,563,740	8,229,301	362,741	1.75
MILL CREEK-SO2 UNIT 4	50-S2	*	(5)	5,864,978.52	3,915,306	2,242,921	100,271	1.71
TRIMBLE COUNTY - UNIT 1	50-S2	*	(5)	56,269,846.00	28,826,752	30,256,587	1,196,441	2.13
TRIMBLE COUNTY - SO2 UNIT 1	50-S2	*	(5)	2,736,920.00	1,404,151	1,469,615	58,137	2.12
<i>TOTAL ACCOUNT 315 - ACCESSORY ELECTRIC EQUIPMENT</i>			162,709,107.80	100,950,177	69,894,389	3,355,055	2.06	20.8
316.00	MISCELLANEOUS PLANT EQUIPMENT							
CANE RUN UNIT 1	40-S2	*	(5)	38,746.00	40,683	0	0	-
CANE RUN UNIT 3	40-S2	*	(5)	11,665.00	12,248	0	0	-
CANE RUN UNIT 4	40-S2	*	(5)	71,143.38	23,667	51,033	4,482	6.30
CANE RUN-SO2 UNIT 4	40-S2	*	(5)	6,464.00	5,087	1,700	183	2.83
CANE RUN UNIT 5	40-S2	*	(5)	80,865.51	18,034	66,874	4,369	5.40
CANE RUN-SO2 UNIT 5	40-S2	*	(5)	47,299.00	33,092	16,571	1,350	2.85
CANE RUN UNIT 6	40-S2	*	(5)	2,707,943.48	1,018,284	1,825,058	117,087	4.32
CANE RUN-SO2 UNIT 6	40-S2	*	(5)	31,569.00	22,434	10,714	868	2.75
MILL CREEK UNIT 1	40-S2	*	(5)	696,198.16	391,989	339,019	22,449	3.22
MILL CREEK UNIT 2	40-S2	*	(5)	112,007.80	70,200	47,409	3,252	2.90
MILL CREEK UNIT 3	40-S2	*	(5)	318,625.00	199,264	135,293	8,266	2.59
MILL CREEK UNIT 4	40-S2	*	(5)	5,198,564.77	1,625,549	3,832,945	158,186	3.04
MILL CREEK-SO2 UNIT 4	40-S2	*	(5)	53,006.66	25,728	29,929	1,500	2.83
TRIMBLE COUNTY - UNIT 1	40-S2	*	(5)	2,574,446.81	993,873	1,709,297	74,392	2.89
<i>TOTAL ACCOUNT 316 - MISCELLANEOUS PLANT EQUIPMENT</i>			11,948,544.57	4,480,132	8,065,842	396,384	3.32	20.3
TOTAL STEAM PRODUCTION PLANT			1,933,256,892.63	939,916,258	1,421,188,809	64,637,905		

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ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL		COMPOSITE REMAINING LIFE (9)=(6)/(7)
						ACCRUAL AMOUNT (7)	ACCRUAL RATE (8)=(7)/(4)	
HYDROELECTRIC PRODUCTION PLANT								
331.00	STRUCTURES AND IMPROVEMENTS							
	OHIO FALLS - NON-PROJECT	100-S2.5 *	65,796.14	58,756	10,330	350	0.53	29.5
	OHIO FALLS - PROJECT 289	100-S2.5 *	5,412,307.69	5,560,362	122,563	4,159	0.08	29.5
	<i>TOTAL ACCOUNT 331 - STRUCTURES AND IMPROVEMENTS</i>		5,478,103.83	5,619,118	132,893	4,509	0.08	29.5
332.00	RESERVOIRS, DAMS & WATERWAY							
	OHIO FALLS - PROJECT 289	100-S2.5 *	4,949,177.35	398,171	4,798,465	163,112	3.30	29.4
	<i>TOTAL ACCOUNT 332 - RESERVOIRS, DAMS & WATERWAY</i>		4,949,177.35	398,171	4,798,465	163,112	3.30	29.4
333.00	WATER WHEELS, TURBINES & GENERATORS							
	OHIO FALLS - PROJECT 289	100-S2.5 *	2,674,579.62	2,747,041	194,997	6,617	0.25	29.5
	<i>TOTAL ACCOUNT 333 - WATER WHEELS, TURBINES & GENERATORS</i>		2,674,579.62	2,747,041	194,997	6,617	0.25	29.5
334.00	ACCESSORY ELECTRIC EQUIPMENT							
	OHIO FALLS - PROJECT 289	80-S4 *	4,392,875.71	859,630	3,752,888	129,325	2.94	29.0
	<i>TOTAL ACCOUNT 334 - ACCESSORY ELECTRIC EQUIPMENT</i>		4,392,875.71	859,630	3,752,888	129,325	2.94	29.0
335.00	MISCELLANEOUS PLANT EQUIPMENT							
	OHIO FALLS - NON-PROJECT	80-S3 *	7,813.67	5,379	3,216	126	1.61	25.5
	OHIO FALLS - PROJECT 289	80-S3 *	171,179.25	80,876	107,420	3,927	2.29	27.4
	<i>TOTAL ACCOUNT 335 - MISCELLANEOUS PLANT EQUIPMENT</i>		178,992.92	86,255	110,636	4,053	2.26	27.3
336.00	ROADS, RAILROADS & BRIDGES							
	OHIO FALLS - NON-PROJECT	80-S4 *	1,133.98	1,134	0	0	-	-
	OHIO FALLS - PROJECT 289	80-S4 *	178,846.99	219,873	(41,027)	0	-	-
	<i>TOTAL ACCOUNT 336 - ROADS, RAILROADS & BRIDGES</i>		179,980.97	221,007	(41,027)	0	-	-
	TOTAL HYDROELECTRIC PRODUCTION PLANT		17,853,710.40	9,931,222	8,948,852	307,616		
OTHER PRODUCTION PLANT								
341.00	STRUCTURES AND IMPROVEMENTS							
	CANE RUN GT 11	55-R3 *	68,931.71	69,172	3,206	926	1.34	3.5
	ZORN AND RIVER ROAD GAS TURBINE	55-R3 *	8,241.14	8,483	170	50	0.61	3.4
	PADDY'S RUN-GENERATOR 12	55-R3 *	42,864.53	44,128	880	257	0.60	3.4
	PADDY'S RUN-GENERATOR 13	55-R3 *	2,158,698.12	390,060	1,876,573	65,798	3.05	28.5
	BROWN COMBUSTION TURBINE #5	55-R3 *	858,538.64	155,147	746,319	26,168	3.05	28.5
	E W BROWN # 6	55-R3 *	105,977.86	15,188	96,089	3,358	3.17	28.6
	E W BROWN # 7	55-R3 *	144,356.29	22,954	128,621	4,502	3.12	28.6
	TRIMBLE COUNTY #5	55-R3 *	1,555,655.08	227,674	1,405,764	49,110	3.16	28.6
	TRIMBLE COUNTY #6	55-R3 *	1,467,923.89	222,716	1,318,604	46,087	3.14	28.6
	TRIMBLE COUNTY #7	55-R3 *	2,083,698.13	186,315	2,001,568	69,571	3.34	28.8
	TRIMBLE COUNTY #8	55-R3 *	2,075,526.50	185,584	1,993,719	69,299	3.34	28.8
	TRIMBLE COUNTY #9	55-R3 *	2,137,402.33	191,116	2,053,156	71,364	3.34	28.8
	TRIMBLE COUNTY #10	55-R3 *	2,132,789.69	190,704	2,048,725	71,210	3.34	28.8
	<i>TOTAL ACCOUNT 341 - STRUCTURES AND IMPROVEMENTS</i>		14,840,603.91	1,909,241	13,673,394	477,700	3.22	28.6

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ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL		COMPOSITE REMAINING LIFE (9)=(6)/(7)
						ACCRUAL AMOUNT (7)	ACCRUAL RATE (8)=(7)/(4)	
342.00	FUEL HOLDERS, PRODUCERS AND ACCESSORIES							
	CANE RUN GT 11	50-R3	118,873.81	108,875	15,942	4,582	3.85	3.5
	ZORN AND RIVER ROAD GAS TURBINE	50-R3	12,801.77	13,189	253	75	0.59	3.4
	PADDY'S RUN-GENERATOR 11	50-R3	9,237.57	9,516	183	54	0.58	3.4
	PADDY'S RUN-GENERATOR 12	50-R3	12,197.11	12,450	357	104	0.85	3.4
	PADDY'S RUN-GENERATOR 13	50-R3	2,255,338.17	407,591	1,960,515	69,436	3.08	28.2
	BROWN COMBUSTION TURBINE #5	50-R3	822,580.92	149,681	714,029	25,293	3.07	28.2
	E W BROWN # 6	50-R3	363,762.04	76,291	305,659	10,878	2.99	28.1
	E W BROWN # 7	50-R3	102,065.03	21,406	85,762	3,052	2.99	28.1
	TRIMBLE COUNTY #5	50-R3	97,996.90	14,970	87,927	3,102	3.17	28.3
	TRIMBLE COUNTY #6	50-R3	97,861.58	14,954	87,801	3,098	3.17	28.3
	TRIMBLE COUNTY CT PIPELINE	50-R3	1,998,390.62	290,096	1,808,214	63,742	3.19	28.4
	TRIMBLE COUNTY #7	50-R3	338,423.07	30,605	324,739	11,374	3.36	28.6
	TRIMBLE COUNTY #8	50-R3	337,096.18	30,485	323,466	11,330	3.36	28.5
	TRIMBLE COUNTY #9	50-R3	347,146.53	31,393	333,111	11,668	3.36	28.5
	TRIMBLE COUNTY #10	50-R3	346,397.46	31,326	332,391	11,642	3.36	28.6
	<i>TOTAL ACCOUNT 342 - FUEL HOLDERS, PRODUCERS AND ACCESSORIES</i>		7,260,168.76	1,242,828	6,380,349	229,430	3.16	27.8
343.00	PRIME MOVERS							
	PADDY'S RUN-GENERATOR 13	30-R2	19,700,979.24	3,375,161	17,310,867	756,691	3.84	22.9
	BROWN COMBUSTION TURBINE #5	30-R2	14,310,573.52	2,421,790	12,604,312	550,181	3.84	22.9
	E W BROWN # 6	30-R2	15,937,077.55	2,736,602	13,997,330	613,865	3.85	22.8
	E W BROWN # 7	30-R2	22,587,247.07	4,619,647	19,096,962	860,612	3.81	22.2
	TRIMBLE COUNTY #5	30-R2	12,521,829.34	1,780,665	11,367,256	486,280	3.88	23.4
	TRIMBLE COUNTY #6	30-R2	12,417,418.76	1,773,746	11,264,544	482,084	3.88	23.4
	TRIMBLE COUNTY #7	30-R2	13,328,713.85	1,102,451	12,892,699	531,261	3.99	24.3
	TRIMBLE COUNTY #8	30-R2	13,203,748.83	1,089,023	12,774,913	526,347	3.99	24.3
	TRIMBLE COUNTY #9	30-R2	13,094,377.92	1,080,168	12,668,929	521,984	3.99	24.3
	TRIMBLE COUNTY #10	30-R2	13,055,699.41	1,076,943	12,631,541	520,443	3.99	24.3
	<i>TOTAL ACCOUNT 343 - ENGINES</i>		150,157,665.49	21,056,196	136,609,353	5,849,748	3.90	23.4
344.00	GENERATORS							
	CANE RUN GT 11	60-S3	2,492,497.42	2,118,427	498,695	142,844	5.73	3.5
	ZORN AND RIVER ROAD GAS TURBINE	60-S3	1,827,580.88	1,747,340	171,620	49,432	2.70	3.5
	PADDY'S RUN-GENERATOR 11	60-S3	1,523,115.56	1,454,634	144,637	41,663	2.74	3.5
	PADDY'S RUN-GENERATOR 12	60-S3	2,991,745.77	2,868,232	273,102	78,731	2.63	3.5
	PADDY'S RUN-GENERATOR 13	60-S3	5,859,857.43	1,008,814	5,144,036	175,684	3.00	29.3
	BROWN COMBUSTION TURBINE #5	60-S3	3,219,204.90	554,278	2,825,887	96,512	3.00	29.3
	E W BROWN # 6	60-S3	2,417,994.54	479,104	2,059,790	70,468	2.91	29.2
	E W BROWN # 7	60-S3	2,421,079.26	479,715	2,062,418	70,558	2.91	29.2
	TRIMBLE COUNTY #5	60-S3	1,539,295.24	222,466	1,393,794	47,537	3.09	29.3
	TRIMBLE COUNTY #6	60-S3	1,537,167.60	222,236	1,391,790	47,469	3.09	29.3
	TRIMBLE COUNTY #7	60-S3	1,726,823.88	147,471	1,665,694	56,695	3.28	29.4
	TRIMBLE COUNTY #8	60-S3	1,717,276.72	146,655	1,656,486	56,381	3.28	29.4
	TRIMBLE COUNTY #9	60-S3	1,728,008.37	147,572	1,666,837	56,734	3.28	29.4
	TRIMBLE COUNTY #10	60-S3	1,722,674.29	147,117	1,661,691	56,559	3.28	29.4
	<i>TOTAL ACCOUNT 344 - GENERATORS</i>		32,724,321.86	11,744,061	22,616,477	1,047,267	3.20	21.6

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ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL		COMPOSITE REMAINING LIFE (9)=(6)/(7)
						ACCRUAL AMOUNT (7)	ACCRUAL RATE (8)=(7)/(4)	
345.00	ACCESSORY ELECTRIC EQUIPMENT			105,125	8,558	2,733	2.40	3.1
	CANE RUN GT 11	35-S1.5	113,683.82	38,007	2,929	944	2.31	3.1
	ZORN AND RIVER ROAD GAS TURBINE	35-S1.5	40,936.08	58,427	9,682	2,906	4.27	3.3
	PADDY'S RUN-GENERATOR 11	35-S1.5	68,109.35	114,337.63	99,885	14,452	4.369	3.3
	PADDY'S RUN-GENERATOR 12	35-S1.5	2,778,992.60	516,225	2,262,768	92,166	3.32	24.6
	PADDY'S RUN-GENERATOR 13	35-S1.5	2,575,301.42	478,451	2,096,850	85,409	3.32	24.6
	BROWN COMBUSTION TURBINE #5	35-S1.5	942,589.47	202,960	739,629	30,715	3.26	24.1
	E W BROWN # 6	35-S1.5	943,792.03	203,219	740,573	30,755	3.26	24.1
	E W BROWN # 7	35-S1.5	685,978.69	106,398	579,581	23,177	3.38	25.0
	TRIMBLE COUNTY #5	35-S1.5	685,031.13	106,289	578,743	23,145	3.38	25.0
	TRIMBLE COUNTY #6	35-S1.5	1,841,955.15	166,408	1,675,547	64,818	3.52	25.9
	TRIMBLE COUNTY #7	35-S1.5	1,834,731.90	165,756	1,668,976	64,564	3.52	25.8
	TRIMBLE COUNTY #8	35-S1.5	1,889,431.09	170,697	1,718,734	66,489	3.52	25.9
	TRIMBLE COUNTY #9	35-S1.5	1,885,353.63	170,329	1,715,025	66,345	3.52	25.9
	TRIMBLE COUNTY #10	35-S1.5						
	TOTAL ACCOUNT 345 - ACCESSORY ELECTRIC EQUIPMENT		16,400,223.99	2,588,176	13,812,047	558,535	3.41	24.7
346.00	MISCELLANEOUS PLANT EQUIPMENT			1,141	0	0	-	-
	PADDY'S RUN-GENERATOR 12	50-S3	1,140.74	238,774	1,021,281	35,363	2.81	28.9
	PADDY'S RUN-GENERATOR 13	50-S3	2,370,656.38	449,305	1,921,351	66,528	2.81	28.9
	BROWN COMBUSTION TURBINE #5	50-S3	22,455.77	3,865	18,591	643	2.86	28.9
	E W BROWN # 6	50-S3	23,047.78	3,941	19,106	660	2.86	28.9
	E W BROWN # 7	50-S3	8,937.45	516	8,421	288	3.22	29.2
	TRIMBLE COUNTY #5	50-S3	5,204.51	487	4,718	162	3.11	29.1
	TRIMBLE COUNTY #7	50-S3	5,182.59	485	4,698	161	3.11	29.2
	TRIMBLE COUNTY #8	50-S3	5,328.44	499	4,829	166	3.12	29.1
	TRIMBLE COUNTY #9	50-S3	5,316.29	497	4,819	165	3.10	29.2
	TOTAL ACCOUNT 346 - MISCELLANEOUS PLANT EQUIPMENT		3,707,324.80	699,510	3,007,814	104,136	2.81	28.9
	TOTAL OTHER PRODUCTION PLANT		225,090,308.81	39,240,012	196,099,434	8,266,816		
	TRANSMISSION PLANT							
350.10	LAND AND LAND RIGHTS	50-R3	0	1,167,041	1,425,733	101,569	3.92	14.0
352.10	STRUCTURES AND IMPROVEMENTS	60-R2.5	(10)	3,426,227.89	1,812,349	1,956,505	1.17	49.0
353.10	STATION EQUIPMENT	55-R2.5	(10)	132,246,587.81	73,308,244	72,163,005	1.32	41.3
354.00	TOWERS AND FIXTURES	65-R3	(40)	24,705,991.57	20,296,034	14,292,355	2.95	41.9
355.00	POLES AND FIXTURES	50-R2	(50)	32,698,136.55	13,553,263	35,493,941	2.52	36.8
356.00	OVERHEAD CONDUCTORS AND DEVICES	50-R2	(40)	36,319,311.94	19,821,363	31,025,673	1.85	41.2
357.00	UNDERGROUND CONDUIT	50-R3	0	1,880,752.49	445,471	1,435,282	3.65	19.3
358.00	UNDERGROUND CONDUCTORS AND DEVICES	30-R3	0	5,303,988.77	1,567,760	3,736,229		
	TOTAL TRANSMISSION PLANT		239,173,770.83	131,971,525	161,528,723	4,336,549		

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ACCOUNT	SURVIVOR CURVE	NET SALVAGE PERCENT	ORIGINAL COST	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL		COMPOSITE REMAINING LIFE	
						ACCRUAL AMOUNT	ACCRUAL RATE		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=(7)/(4)	(9)=(6)/(7)	
DISTRIBUTION PLANT									
361.00	STRUCTURES AND IMPROVEMENTS	60-R3	(20)	6,416,608.23	4,796,994	2,902,939	64,869	1.01	44.8
362.00	STATION EQUIPMENT	55-R1.5	(15)	85,588,876.42	46,104,182	52,323,031	1,204,805	1.41	43.4
364.00	POLES, TOWERS, AND FIXTURES	50-R2.5	(60)	103,127,752.92	57,472,587	107,531,817	3,093,097	3.00	34.8
365.00	OVERHEAD CONDUCTORS AND DEVICES	45-R1.5	(50)	173,009,057.04	80,947,114	178,566,479	5,014,103	2.90	35.6
366.00	UNDERGROUND CONDUIT	70-R4	(10)	61,734,265.50	22,506,113	45,401,580	772,824	1.25	58.7
367.00	UNDERGROUND CONDUCTORS AND DEVICES	50-R2	(15)	90,008,517.11	39,454,568	64,055,231	1,583,798	1.76	40.4
368.00	LINE TRANSFORMERS	45-R1.5	(20)	107,982,342.81	50,507,529	79,071,282	2,355,551	2.18	33.6
369.10	SERVICES - UNDERGROUND	45-R1.5	(35)	3,524,148.10	1,645,420	3,112,179	86,468	2.45	36.0
369.20	SERVICES - OVERHEAD	45-S1.5	(100)	21,039,200.67	15,017,775	27,060,626	1,049,793	4.99	25.8
370.00	METERS	30-R2	(5)	34,382,670.04	14,743,379	21,358,427	1,302,749	3.79	16.4
373.10	STREET LIGHTING AND SIGNAL SYSTEMS - OVERHEAD	30-L1	(20)	23,772,667.59	14,545,574	13,981,630	658,022	2.77	21.2
373.20	STREET LIGHTING AND SIGNAL SYSTEMS - UNDERGROUND	35-R1.5	(20)	40,882,602.84	15,306,457	33,752,667	1,207,986	2.95	27.9
373.40	STREET LIGHTING AND SIGNAL SYSTEMS - TRANSFORMERS	26-R0.5	0	87,546.43	89,351	(1,806)	0	-	-
TOTAL DISTRIBUTION PLANT				751,556,255.70	363,137,043	629,116,082	18,394,065		
GENERAL PLANT									
392.20	TRANSPORTATION EQUIPMENT - TRAILERS	30-S4	5	587,518.21	198,471	359,673	21,272	3.62	16.9
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	0	3,155,932.55	960,829	2,195,103	138,637	4.39	15.8
395.00	LABORATORY EQUIPMENT	15-SQ	0	1,503,831.33	805,480	698,351	455,981	30.32	1.5
396.20	POWER OPERATED EQUIPMENT - OTHER	30-R1.5	0	51,067.69	21,151	29,917	1,620	3.17	18.5
TOTAL GENERAL PLANT				5,298,349.78	1,985,931	3,283,044	617,510		
TOTAL DEPRECIABLE PLANT				3,172,229,288.15	1,486,181,991	2,420,164,944	96,560,461		
NONDEPRECIABLE PLANT									
301.00	ORGANIZATION			2,240.29					
302.00	FRANCHISE AND CONSENTS			100.00	100				
310.10	LAND			6,303,853.30					
330.10	LAND			13.00					
340.10	LAND			49,258.87					
350.10	LAND			888,237.78					
360.10	LAND			1,984,544.32					
TOTAL NONDEPRECIABLE PLANT				9,228,247.56	100				
ACCOUNTS NOT STUDIED									
392.10	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS			9,303,252.82	9,145,641				
396.10	POWER OPERATED EQUIPMENT - HOURLY RATED			2,285,136.20	2,231,071				
TOTAL ACCOUNTS NOT STUDIED				11,588,389.02	11,376,712				
TOTAL ELECTRIC PLANT				3,193,045,924.73	1,497,558,803	2,420,164,944	96,560,461		

* LIFE SPAN PROCEDURE IS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE

LOUISVILLE GAS AND ELECTRIC - GAS
SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND
CALCULATED ANNUAL DEPRECIATION RATES AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL ACCRUAL AMOUNT (7)	ACCRUAL RATE (8)=(7)/(4)	COMPOSITE REMAINING LIFE (9)=(6)/(7)
DEPRECIABLE PLANT								
PRODUCTION PLANT								
350.20	RIGHTS OF WAY	55-R4	0	63,678.14	70,451	(6,773)	0	-
351.20	COMPRESSOR STATION STRUCTURES	50-R2.5	(5)	1,696,319.20	743,281	1,037,855	23,026	1.36
351.30	MEASURING AND REGULATING STATION STRUCTURES	55-R2.5	(5)	10,879.61	14,474	(3,050)	0	-
351.40	OTHER STRUCTURES	50-R3	(5)	1,236,356.49	807,089	491,085	11,426	0.92
352.10	STORAGE LEASEHOLDS AND RIGHTS	65-R4	0	548,241.14	569,590	(21,349)	0	-
352.20	RESERVOIRS	55-R4	0	400,511.40	446,270	(45,759)	0	-
352.30	NONRECOVERABLE NATURAL GAS	50-SQ	0	9,648,855.00	7,165,705	2,483,150	88,298	0.92
352.40	WELL DRILLING	55-R2.5	(20)	2,622,897.61	2,710,350	437,125	9,473	0.36
352.50	WELL EQUIPMENT	50-R2.5	(20)	6,142,762.54	728,355	6,642,963	212,368	3.46
353.00	LINES	45-S1	(10)	12,786,744.73	6,643,582	7,421,838	214,826	1.68
354.00	COMPRESSOR STATION EQUIPMENT	50-R3	(5)	13,961,769.92	6,978,446	7,681,418	178,373	1.28
355.00	MEASURING AND REGULATING EQUIPMENT	40-R1	(5)	387,809.47	252,799	154,402	4,747	1.22
356.00	PURIFICATION EQUIPMENT	45-R2	(15)	9,934,256.85	4,093,652	7,330,742	190,526	1.92
357.00	OTHER EQUIPMENT	40-R2	0	1,033,211.58	269,736	763,476	22,575	2.18
	TOTAL PRODUCTION PLANT			60,474,293.68	31,493,780	34,367,123	955,638	1.58
								36.0
TRANSMISSION PLANT								
365.20	RIGHTS OF WAY	65-S3	0	220,659.05	199,377	21,282	586	0.27
367.00	MAINS	65-R2.5	(10)	12,673,432.30	11,578,244	2,362,536	46,385	0.37
	TOTAL TRANSMISSION PLANT			12,894,091.35	11,777,621	2,383,818	46,971	0.36
								50.8
DISTRIBUTION PLANT								
374.22	OTHER DISTRIBUTION LAND RIGHTS	65-S3	0	74,018.23	72,775	1,242	26	0.04
375.10	STRUCTURES & IMPROVEMENTS - CITY GATE STATION	55-R3	(5)	224,018.51	112,776	122,443	2,384	1.06
375.20	STRUCTURES & IMPROVEMENTS - OTHER DISTRIBUTION	30-L1	(5)	505,354.95	96,486	434,139	42,190	8.35
376.00	MAINS	65-R2.5	(30)	262,334,573.57	92,672,522	248,362,426	4,623,570	1.76
378.00	MEASURING AND REGULATING STATION EQUIP-GENERAL	41-S0	(10)	7,853,390.14	1,861,536	6,777,193	198,953	2.53
379.00	MEASURING AND REGULATING STATION EQUIP-CITY GATE	45-S1	(15)	3,846,544.97	1,301,803	3,121,721	89,690	2.33
380.00	SERVICES	42-S0	(55)	125,366,090.71	47,057,089	147,260,348	4,518,149	3.60
381.00	METERS	31-R1.5	0	21,171,719.50	3,872,688	17,299,033	843,910	3.99
382.00	METER INSTALLATIONS	20-L0	0	9,136,341.11	(817,817)	9,954,158	647,752	7.09
383.00	HOUSE REGULATORS	45-R3	(5)	4,598,091.61	1,202,930	3,625,064	102,088	2.22
384.00	HOUSE REGULATOR INSTALLATIONS	45-R2	(5)	4,707,358.65	513,259	4,429,471	104,994	2.23
385.00	MEASURING AND REGULATING STATION EQUIPMENT	40-S2.5	0	159,361.88	114,537	44,825	1,496	0.94
387.00	OTHER EQUIPMENT	40-S2	0	51,112.34	10,802	40,311	1,779	3.48
	TOTAL DISTRIBUTION PLANT			440,027,976.17	148,071,386	441,472,374	11,176,981	2.54
								39.5

LOUISVILLE GAS AND ELECTRIC - GAS
SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND
CALCULATED ANNUAL DEPRECIATION RATES AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL		COMPOSITE REMAINING LIFE (9)=(6)/(7)	
						ACCRUAL AMOUNT (7)	ACCRUAL RATE (8)=(7)/(4)		
GENERAL PLANT									
392.20	TRANSPORTATION EQUIPMENT - TRAILERS	20-L1	5	474,814.36	131,916	319,157	22,619	4.76	14.1
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT	25-SQ	0	3,474,777.85	1,139,401	2,335,377	162,575	4.68	14.4
395.00	LABORATORY EQUIPMENT	15-SQ	0	439,513.20	258,930	180,583	158,291	36.02	1.1
396.20	POWER OPERATED EQUIPMENT - OTHER	25-R1.5	5	53,369.30	32,879	17,822	1,436	2.69	12.4
TOTAL GENERAL PLANT				4,442,474.71	1,563,126	2,852,939	344,921	7.76	8.3
TOTAL DEPRECIABLE PLANT				517,838,835.91	192,905,913	481,076,254	12,524,511	2.42	38.4
NONDEPRECIABLE PLANT									
302.00	FRANCHISE AND CONSENTS			1,187.49	800				
350.10	LAND			32,864.07					
374.11	LAND			7,586.67					
374.12	LAND			54,457.06					
TOTAL NONDEPRECIABLE PLANT				96,095.29	800				
ACCOUNTS NOT STUDIED									
392.10	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS			2,912,871.76	2,888,074				
396.10	POWER OPERATED EQUIPMENT - HOURLY RATED			2,990,887.40	2,337,592				
TOTAL ACCOUNTS NOT STUDIED				5,903,759.16	5,225,666				
TOTAL GAS PLANT				523,838,690.36	198,132,379	481,076,254	12,524,511		

LOUISVILLE GAS AND ELECTRIC
COMMON PLANT

SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND
CALCULATED ANNUAL DEPRECIATION RATES AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED ANNUAL		COMPOSITE REMAINING LIFE (9)=(6)/(7)	
						ACCRUAL AMOUNT (7)	ACCRUAL RATE (8)=(7)/(4)		
DEPRECIABLE PLANT									
STRUCTURES AND IMPROVEMENTS									
390.10	GENERAL OFFICE	35-R2	(10)	49,324,994.87	14,956,690	39,300,806	1,626,107	3.30	24.2
390.20	TRANSPORTATION	25-R2.5	(5)	431,573.62	(751,201)	1,204,355	111,878	25.92	10.8
390.30	STORES	45-R3	(5)	10,929,115.62	6,757,968	4,717,604	164,973	1.51	28.6
390.40	SHOPS	45-R4	(5)	589,466.55	301,465	317,476	8,055	1.37	39.4
390.60	MICROWAVE	45-R3	(5)	855,652.76	141,684	756,754	19,745	2.31	38.3
OFFICE FURNITURE AND EQUIPMENT									
391.10	FURNITURE	20-SQ	0	12,512,975.03	7,578,558	4,934,417	752,468	6.01	6.6
391.20	EQUIPMENT	15-SQ	0	3,342,047.27	2,439,836	902,210	293,471	8.78	3.1
391.30	COMPUTER EQUIPMENT	5-SQ	0	19,219,230.99	9,718,055	9,501,176	4,219,836	21.96	2.3
391.31	PERSONAL COMPUTER	5-SQ	0	1,217,943.37	217,903	1,000,041	251,869	20.68	4.0
391.40	SECURITY EQUIPMENT	10-SQ	0	2,554,508.44	1,706,946	847,563	177,022	6.93	4.8
392.00	TRANSPORTATION EQUIPMENT - TRAILERS	27-O1	5	63,404.28	27,626	32,608	1,669	2.63	19.5
393.00	STORES EQUIPMENT	25-SQ	0	1,210,653.40	414,144	796,509	67,785	5.60	11.8
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	0	3,470,364.28	672,910	2,797,454	179,536	5.17	15.6
395.00	LABORATORY EQUIPMENT	15-SQ	0	22,281.50	8,637	13,645	13,645	61.24	1.0
396.00	POWER OPERATED EQUIPMENT - OTHER	25-S1.5	10	14,147.08	6,945	5,787	568	4.01	10.2
397.00	COMMUNICATION EQUIPMENT	15-SQ	0	36,367,603.46	12,740,088	23,627,517	4,365,671	12.00	5.4
397.10	COMMUNICATION EQUIPMENT - COMPUTER	15-SQ	0	5,784,754.49	5,155,519	629,236	51,982	0.90	12.1
398.00	MISCELLANEOUS EQUIPMENT	10-SQ	0	594,390.05	(154,835)	749,225	205,861	34.63	3.6
TOTAL DEPRECIABLE PLANT				148,505,107.06	61,938,938	92,134,383	12,512,141	8.43	7.4
NONDEPRECIABLE PLANT									
301.00	ORGANIZATION			83,782.29					
302.00	FRANCHISES AND CONSENTS			4,200.00	4,200				
303.00	MISCELLANEOUS INTANGIBLE PLANT			28,789,522.78	15,372,458				
389.10	LAND			1,711,503.17					
389.20	LAND RIGHTS			202,094.94	109,529				
TOTAL NONDEPRECIABLE PLANT				30,791,103.18	15,486,187				
ACCOUNTS NOT STUDIED									
392.10	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS			132,669.00	132,103				
396.10	POWER OPERATED EQUIPMENT - TRMS			258,314.21	258,314				
TOTAL ACCOUNTS NOT STUDIED				390,983.21	390,417				
TOTAL COMMON PLANT				179,687,193.45	77,815,542	92,134,383	12,512,141		

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 28

Witness: John J. Spanos

- Q-28. If applicable, please calculate all depreciation rates using the same weighting procedure used in the current depreciation rates, i.e., the same procedure used the last time depreciation rates were calculated.
- A-28. The spreadsheets in response to AG-27 set forth the same weighting procedure used in the current depreciation rates with the proposed life and salvage estimates.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 29

Witness: John J. Spanos

- Q-29. Please provide the proposed depreciation rates, split into three separate components: capital recovery, gross salvage and cost of removal.
- A-29. The attached document set forth the proposed depreciation rates split into three components. The electronic Excel files are included on the attached CD.

LOUISVILLE GAS AND ELECTRIC
ELECTRIC PLANT

CALCULATED ANNUAL ACCRUAL RATE AND AMOUNT BY
COMPONENTS AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL (13) (14)	
						RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT
DEPRECIABLE PLANT													
STEAM PRODUCTION PLANT													
311.00	STRUCTURES AND IMPROVEMENTS												
	CANE RUN UNIT 1	100-S1.5 *	4,233,981.48	4,657,380	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 2	100-S1.5 *	2,102,942.00	2,313,236	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 3	100-S1.5 *	3,532,140.00	3,885,354	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 4	100-S1.5 *	3,819,018.36	3,652,193	548,727	1.26	48,090	1.08	41,216	0.18	6,874	-	0
	CANE RUN-SO2 UNIT 4	100-S1.5 *	760,360.00	740,943	95,453	1.11	8,419	0.93	7,050	0.18	1,369	-	0
	CANE RUN UNIT 5	100-S1.5 *	6,165,918.13	4,902,105	1,880,404	2.00	123,433	1.73	106,785	0.27	16,648	-	0
	CANE RUN-SO2 UNIT 5	100-S1.5 *	1,696,435.00	1,439,174	426,905	1.66	28,165	1.50	25,451	0.16	2,714	-	0
	CANE RUN UNIT 6	100-S1.5 *	19,346,501.56	14,289,215	6,991,936	2.22	429,786	2.00	387,224	0.22	42,562	-	0
	CANE RUN-SO2 UNIT 6	100-S1.5 *	1,894,852.32	1,428,902	655,435	2.13	40,312	1.91	36,143	0.22	4,169	-	0
	MILL CREEK UNIT 1	100-S1.5 *	19,168,217.08	14,873,144	6,211,894	1.71	327,762	1.58	302,843	0.13	24,919	-	0
	MILL CREEK-SO2 UNIT 1	100-S1.5 *	1,716,995.50	1,323,045	565,650	1.74	29,820	1.61	29,820	0.13	2,232	-	0
	MILL CREEK UNIT 2	100-S1.5 *	10,812,787.99	8,830,804	3,063,264	1.50	162,336	1.37	148,279	0.13	14,057	-	0
	MILL CREEK-SO2 UNIT 2	100-S1.5 *	1,393,404.00	1,032,477	500,268	1.89	26,311	1.66	23,106	0.23	3,205	-	0
	MILL CREEK UNIT 3	100-S1.5 *	24,963,587.02	16,492,690	10,967,256	1.58	394,888	1.42	354,746	0.16	39,942	-	0
	MILL CREEK-SO2 UNIT 3	100-S1.5 *	362,867.00	244,888	154,266	1.53	5,567	1.37	4,986	0.16	591	-	0
	MILL CREEK UNIT 4	100-S1.5 *	60,311,484.02	33,672,363	32,670,270	1.92	1,158,787	1.77	1,068,320	0.15	90,467	-	0
	MILL CREEK-SO2 UNIT 4	100-S1.5 *	5,307,313.20	3,112,165	2,725,880	1.82	96,858	1.67	88,897	0.15	7,961	-	0
	TRIMBLE COUNTY - UNIT 1	100-S1.5 *	160,498,043.70	77,938,729	98,609,119	2.15	3,452,800	1.90	3,051,555	0.25	401,245	-	0
	TRIMBLE COUNTY - SO2 UNIT 1	100-S1.5 *	511,308.94	218,077	344,362	2.35	12,010	2.10	10,732	0.25	1,278	-	0
	TOTAL ACCOUNT 311 - STRUCTURES AND IMPROVEMENTS		328,598,157.30	195,046,884	166,411,089	1.93	6,345,144		5,684,921		660,223		0
312.00	BOILER PLANT EQUIPMENT												
	CANE RUN LOCOMOTIVE	25-R2	51,549.42	33,262	7,978	4.79	2,470	6.98	3,599	-	0	(2.19)	(1,129)
	CANE RUN LOCOMOTIVE - RAILCARS	25-R2	1,601,772.81	531,310	670,108	3.59	53,867	5.19	77,895	-	0	(1.60)	(24,028)
	CANE RUN UNIT 1	45-R1.5 *	1,053,742.00	1,369,865	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 2	45-R1.5 *	132,837.00	172,688	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 3	45-R1.5 *	711,484.00	924,929	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 4	45-R1.5 *	30,277,226.79	18,288,583	21,071,814	6.66	2,016,040	4.72	1,428,662	2.10	635,822	(0.16)	(48,444)
	CANE RUN-SO2 UNIT 4	45-R1.5 *	17,091,727.81	11,881,513	10,337,734	5.74	981,260	3.89	665,063	2.00	341,835	(0.15)	(25,638)
	CANE RUN UNIT 5	45-R1.5 *	34,767,159.48	13,504,758	31,692,551	6.71	2,332,399	4.96	1,723,973	1.91	664,053	(0.16)	(55,627)
	CANE RUN-SO2 UNIT 5	45-R1.5 *	28,107,437.90	19,098,338	17,441,331	4.62	1,298,757	3.37	947,414	1.39	390,693	(0.14)	(39,350)
	CANE RUN UNIT 6	45-R1.5 *	47,135,674.34	22,778,252	38,498,125	5.78	2,726,434	4.62	2,179,661	1.31	617,477	(0.15)	(70,704)
	CANE RUN-SO2 UNIT 6	45-R1.5 *	32,184,156.61	19,088,684	22,750,722	4.97	1,600,158	3.74	1,204,293	1.38	444,141	(0.15)	(48,276)
	MILL CREEK-LOCOMOTIVE	25-R2	613,424.43	364,410	126,329	4.04	24,762	6.70	41,079	-	0	(2.66)	(16,317)
	MILL CREEK-LOCOMOTIVE RAILCARS	25-R2	3,593,111.63	1,332,957	1,541,532	3.58	128,750	4.87	175,101	-	0	(1.29)	(46,351)
	MILL CREEK UNIT 1	45-R1.5 *	47,559,197.98	26,339,437	35,487,522	4.72	2,246,257	3.47	1,651,767	1.40	665,829	(0.15)	(71,339)
	MILL CREEK-SO2 UNIT 1	45-R1.5 *	42,349,730.64	20,691,298	34,363,352	4.96	2,101,740	3.31	1,402,970	1.80	762,295	(0.15)	(63,525)
	MILL CREEK UNIT 2	45-R1.5 *	47,357,145.83	21,853,684	39,710,608	5.22	2,472,523	3.90	1,847,409	1.47	696,150	(0.15)	(71,036)
	MILL CREEK-SO2 UNIT 2	45-R1.5 *	34,424,938.00	18,284,740	26,467,678	4.71	1,621,216	3.45	1,187,461	1.41	485,392	(0.15)	(51,637)
	MILL CREEK UNIT 3	45-R1.5 *	137,324,677.88	48,484,795	130,037,286	4.48	6,148,975	3.02	4,144,035	1.60	2,197,195	(0.14)	(192,255)
	MILL CREEK-SO2 UNIT 3	45-R1.5 *	63,097,998.79	21,582,229	60,445,168	4.38	2,762,215	3.00	1,891,462	1.52	959,090	(0.14)	(88,337)
	MILL CREEK UNIT 4	45-R1.5 *	237,604,471.44	82,876,873	226,008,940	4.45	10,573,987	3.03	7,200,003	1.56	3,706,630	(0.14)	(332,646)
	MILL CREEK-SO2 UNIT 4	45-R1.5 *	113,648,645.53	44,103,121	103,640,119	4.14	4,709,202	2.77	3,152,215	1.51	1,716,095	(0.14)	(159,108)
	TRIMBLE COUNTY - UNIT 1	45-R1.5 *	246,928,938.61	102,820,597	218,187,022	4.04	9,975,426	2.67	6,592,500	1.51	3,728,627	(0.14)	(345,701)
	TRIMBLE COUNTY - SO2 UNIT 1	45-R1.5 *	63,159,341.63	26,413,264	55,693,861	4.10	2,590,120	2.71	1,712,205	1.53	966,338	(0.14)	(88,423)
	TOTAL ACCOUNT 312 - BOILER PLANT EQUIPMENT		1,230,676,390.55	522,819,607	1,074,179,780	4.58	56,366,558		39,228,767		18,977,662		(1,839,871)

LOUISVILLE GAS AND ELECTRIC
ELECTRIC PLANT

CALCULATED ANNUAL ACCRUAL RATE AND AMOUNT BY
COMPONENTS AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL (13) (14)	
						RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT
314.00	TURBOGENERATOR UNITS												
	CANE RUN UNIT 1	50-S1.5	106,008.99	116,610	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 2	50-S1.5	19,999.00	21,999	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 3	50-S1.5	581,177.00	639,295	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 4	50-S1.5	9,122,982.05	6,696,016	3,339,265	3.40	309,780	2.07	188,444	1.37	124,985	(0.04)	(3,649)
	CANE RUN UNIT 5	50-S1.5	7,375,364.74	5,731,823	2,381,080	2.42	178,552	2.11	155,688	0.35	25,814	(0.04)	(2,950)
	CANE RUN UNIT 6	50-S1.5	14,984,949.73	8,626,498	7,856,948	3.47	519,788	3.05	456,851	0.46	68,931	(0.04)	(5,994)
	MILL CREEK UNIT 1	50-S1.5	14,332,084.36	10,582,040	5,183,252	2.30	330,036	2.03	291,340	0.31	44,429	(0.04)	(5,733)
	MILL CREEK UNIT 2	50-S1.5	16,626,879.81	11,208,486	7,081,084	2.62	434,898	2.16	358,415	0.50	83,134	(0.04)	(6,651)
	MILL CREEK UNIT 3	50-S1.5	27,112,329.06	16,947,408	12,876,153	2.28	618,480	1.88	510,031	0.44	119,294	(0.04)	(10,845)
	MILL CREEK UNIT 4	50-S1.5	42,108,819.15	23,847,796	22,471,905	2.45	1,032,197	2.18	918,504	0.31	130,537	(0.04)	(16,844)
	TRIMBLE COUNTY - UNIT 1	50-S1.5	66,954,098.52	32,201,487	41,448,022	2.68	1,796,816	2.25	1,508,914	0.47	314,684	(0.04)	(26,782)
	TOTAL ACCOUNT 314 - TURBOGENERATOR UNITS		199,324,692.41	116,619,458	102,637,709	2.62	5,220,547		4,388,187		911,808		(79,448)
315.00	ACCESSORY ELECTRIC EQUIPMENT												
	CANE RUN UNIT 1	50-S2	1,891,012.00	1,985,563	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 2	50-S2	1,277,223.00	1,341,084	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 3	50-S2	767,325.00	805,691	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 4	50-S2	5,474,319.06	3,637,429	2,110,606	3.40	185,974	3.25	177,762	0.18	9,854	(0.03)	(1,642)
	CANE RUN-SO2 UNIT 4	50-S2	987,949.00	925,415	111,931	1.12	11,019	1.02	10,031	0.11	1,087	(0.01)	(99)
	CANE RUN UNIT 5	50-S2	6,856,291.05	3,999,065	3,200,040	3.12	214,025	2.77	190,028	0.38	26,054	(0.03)	(2,057)
	CANE RUN-SO2 UNIT 5	50-S2	2,216,498.98	1,831,913	495,413	1.67	36,996	1.49	33,007	0.19	4,211	(0.01)	(222)
	CANE RUN UNIT 6	50-S2	8,571,566.71	5,058,977	3,941,167	2.93	251,391	2.59	222,247	0.37	31,715	(0.03)	(2,571)
	CANE RUN-SO2 UNIT 6	50-S2	2,124,867.00	1,756,831	474,070	1.61	34,157	1.45	30,757	0.17	3,612	(0.01)	(212)
	MILL CREEK UNIT 1	50-S2	14,425,285.62	7,663,999	7,482,552	2.84	410,132	2.55	368,299	0.32	46,161	(0.03)	(4,328)
	MILL CREEK-SO2 UNIT 1	50-S2	5,541,695.00	4,219,198	1,599,582	1.80	99,693	1.58	87,501	0.24	13,300	(0.02)	(1,081)
	MILL CREEK UNIT 2	50-S2	6,428,715.51	4,407,033	2,343,119	2.13	136,760	1.81	116,188	0.34	21,858	(0.02)	(1,286)
	MILL CREEK-SO2 UNIT 2	50-S2	4,505,053.40	3,408,426	1,321,880	1.83	82,399	1.52	68,433	0.33	14,867	(0.02)	(901)
	MILL CREEK UNIT 3	50-S2	13,482,711.00	9,859,013	4,297,834	1.64	221,163	1.41	190,152	0.24	32,359	(0.01)	(1,348)
	MILL CREEK-SO2 UNIT 3	50-S2	2,531,773.00	1,869,107	789,255	1.62	41,010	1.46	36,959	0.17	4,304	(0.01)	(253)
	MILL CREEK UNIT 4	50-S2	20,755,277.95	13,839,245	7,953,796	1.85	383,791	1.61	333,979	0.25	51,888	(0.01)	(2,076)
	MILL CREEK-SO2 UNIT 4	50-S2	5,864,978.52	4,000,224	2,158,003	1.81	105,878	1.56	91,215	0.26	15,249	(0.01)	(586)
	TRIMBLE COUNTY - UNIT 1	50-S2	56,269,846.00	28,932,620	30,150,719	2.28	1,281,579	2.06	1,157,785	0.24	135,048	(0.02)	(11,254)
	TRIMBLE COUNTY - SO2 UNIT 1	50-S2	2,736,920.00	1,409,344	1,464,422	2.28	62,279	2.06	56,257	0.24	6,569	(0.02)	(547)
	TOTAL ACCOUNT 315 - ACCESSORY ELECTRIC EQUIPMENT		162,709,107.80	100,950,177	69,894,389	2.19	3,558,246		3,170,600		418,136		(30,490)
316.00	MISCELLANEOUS PLANT EQUIPMENT												
	CANE RUN UNIT 1	40-S2	38,746.00	40,683	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 3	40-S2	11,665.00	12,248	0	-	0	-	0	-	0	-	0
	CANE RUN UNIT 4	40-S2	71,143.38	22,270	52,430	6.50	4,624	6.06	4,311	0.44	313	-	0
	CANE RUN-SO2 UNIT 4	40-S2	6,464.00	4,941	1,846	3.16	204	2.60	168	0.56	36	-	0
	CANE RUN UNIT 5	40-S2	80,865.51	16,978	67,930	5.53	4,473	5.20	4,206	0.33	267	-	0
	CANE RUN-SO2 UNIT 5	40-S2	47,299.00	32,551	17,112	3.12	1,478	2.70	1,275	0.43	203	-	0
	CANE RUN UNIT 6	40-S2	2,707,943.48	981,898	1,861,444	4.51	122,063	4.17	112,856	0.34	9,207	-	0
	CANE RUN-SO2 UNIT 6	40-S2	31,569.00	22,215	10,933	2.98	942	2.55	806	0.43	136	-	0
	MILL CREEK UNIT 1	40-S2	696,198.16	393,771	337,237	3.37	23,454	2.96	20,600	0.41	2,854	-	0
	MILL CREEK UNIT 2	40-S2	112,007.80	70,170	47,439	3.10	3,474	2.71	3,037	0.39	437	-	0
	MILL CREEK UNIT 3	40-S2	318,625.00	205,205	129,352	2.79	8,883	2.44	7,768	0.35	1,115	-	0
	MILL CREEK UNIT 4	40-S2	5,198,564.77	1,641,175	3,817,319	3.28	170,528	3.04	158,051	0.24	12,477	-	0
	MILL CREEK-SO2 UNIT 4	40-S2	53,006.66	26,501	29,156	3.02	1,602	2.72	1,443	0.30	159	-	0
	TRIMBLE COUNTY - UNIT 1	40-S2	2,574,446.81	1,009,526	1,693,644	3.16	81,361	2.92	75,182	0.24	6,179	-	0
	TOTAL ACCOUNT 316 - MISCELLANEOUS PLANT EQUIPMENT		11,948,544.57	4,480,132	8,065,842	3.54	423,086		389,703		33,383		0
	TOTAL STEAM PRODUCTION PLANT		1,933,256,892.63	939,916,258	1,421,188,809		71,913,581		52,862,178		21,001,212		(1,949,809)

LOUISVILLE GAS AND ELECTRIC
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CALCULATED ANNUAL ACCRUAL RATE AND AMOUNT BY
COMPONENTS AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL (13) (14)		
						RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	
HYDROELECTRIC PRODUCTION PLANT														
331.00	STRUCTURES AND IMPROVEMENTS OHIO FALLS - NON-PROJECT OHIO FALLS - PROJECT 289	100-S2.5 100-S2.5	(5) (5)	65,796.14 5,412,307.69	58,523 5,560,595	10,563 122,330	0.55 0.08	359 4,152	0.48 0.07	316 3,789	0.07 0.01	43 363	- -	0 0
	TOTAL ACCOUNT 331 - STRUCTURES AND IMPROVEMENTS			5,478,103.83	5,619,118	132,893	0.08	4,511		4,105		406		0
332.00	RESERVOIRS, DAMS & WATERWAY OHIO FALLS - PROJECT 289	100-S2.5	(5)	4,949,177.35	398,171	4,798,465	3.30	163,256	3.13	154,815	0.17	8,441	-	0
	TOTAL ACCOUNT 332 - RESERVOIRS, DAMS & WATERWAY			4,949,177.35	398,171	4,798,465	3.30	163,256		154,815		8,441		0
333.00	WATER WHEELS, TURBINES & GENERATORS OHIO FALLS - PROJECT 289	100-S2.5	(10)	2,674,579.62	2,747,041	194,997	0.25	6,624	0.24	6,419	0.02	472	(0.01)	(267)
	TOTAL ACCOUNT 333 - WATER WHEELS, TURBINES & GENERATORS			2,674,579.62	2,747,041	194,997	0.25	6,624		6,419		472		(267)
334.00	ACCESSORY ELECTRIC EQUIPMENT OHIO FALLS - PROJECT 289	80-S4	(5)	4,392,875.71	859,630	3,752,888	2.95	129,626	2.77	121,481	0.18	8,145	-	0
	TOTAL ACCOUNT 334 - ACCESSORY ELECTRIC EQUIPMENT			4,392,875.71	859,630	3,752,888	2.95	129,626		121,481		8,145		0
335.00	MISCELLANEOUS PLANT EQUIPMENT OHIO FALLS - NON-PROJECT OHIO FALLS - PROJECT 289	80-S3 80-S3	(10) (10)	7,813.67 171,179.25	5,368 80,887	3,227 107,409	1.68 2.31	131 3,953	1.57 2.19	123 3,749	0.11 0.12	8 204	- -	0 0
	TOTAL ACCOUNT 335 - MISCELLANEOUS PLANT EQUIPMENT			178,992.92	86,255	110,636	2.28	4,084		3,872		212		0
336.00	ROADS, RAILROADS & BRIDGES OHIO FALLS - NON-PROJECT OHIO FALLS - PROJECT 289	80-S4 80-S4	0 0	1,133.98 178,846.99	1,134 219,873	0 (41,027)	- -	0 0	- -	0 0	- -	0 0	- -	0 0
	TOTAL ACCOUNT 336 - ROADS, RAILROADS & BRIDGES			179,980.97	221,007	(41,027)		0		0		0		0
	TOTAL HYDROELECTRIC PRODUCTION PLANT			17,853,710.40	9,931,222	8,948,852		308,101		290,692		17,876		(267)
OTHER PRODUCTION PLANT														
341.00	STRUCTURES AND IMPROVEMENTS CANE RUN GT 11 ZORN AND RIVER ROAD GAS TURBINE PADDY'S RUN-GENERATOR 12 PADDY'S RUN-GENERATOR 13 BROWN COMBUSTION TURBINE #5 E W BROWN # 6 E W BROWN # 7	55-R3 55-R3 55-R3 55-R3 55-R3 55-R3 55-R3	(5) (5) (5) (5) (5) (5) (5)	68,931.71 8,241.14 42,864.53 2,158,698.12 858,538.64 105,977.86 144,356.29	66,903 8,217 42,742 390,108 155,165 15,205 22,970	5,475 436 2,266 1,876,525 746,301 96,072 128,605	2.33 1.59 1.58 3.15 3.15 3.29 3.23	1,607 131 678 67,965 27,030 3,484 4,666	2.06 1.42 1.48 2.97 2.97 3.11 3.05	1,421 117 635 64,079 25,485 3,293 4,406	0.27 0.17 0.10 0.18 0.18 0.18 0.18	186 14 43 3,886 1,545 191 260	- - - - - - -	0 0 0 0 0 0 0

LOUISVILLE GAS AND ELECTRIC
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COMPONENTS AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL RATE AMOUNT (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL RATE AMOUNT (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL RATE AMOUNT (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL RATE AMOUNT (13) (14)	
341.00	STRUCTURES AND IMPROVEMENTS, cont.												
	TRIMBLE COUNTY #5	55-R3 *	1,555,655.08	228,038	1,405,400	3.27	50,808	3.09	48,008	0.18	2,800	-	0
	TRIMBLE COUNTY #6	55-R3 *	1,467,923.89	223,033	1,318,287	3.25	47,676	3.07	45,034	0.18	2,642	-	0
	TRIMBLE COUNTY #7	55-R3 *	2,083,698.13	187,091	2,000,792	3.45	71,971	3.27	68,220	0.18	3,751	-	0
	TRIMBLE COUNTY #8	55-R3 *	2,075,526.50	186,357	1,992,946	3.45	71,689	3.27	67,953	0.18	3,736	-	0
	TRIMBLE COUNTY #9	55-R3 *	2,137,402.33	191,913	2,052,359	3.45	73,826	3.27	69,979	0.18	3,847	-	0
	TRIMBLE COUNTY #10	55-R3 *	2,132,789.69	191,499	2,047,930	3.45	73,667	3.27	69,828	0.18	3,839	-	0
	TOTAL ACCOUNT 341 - STRUCTURES AND IMPROVEMENTS		14,840,603.91	1,909,241	13,673,394	3.34	495,198		468,458		26,740		0
342.00	FUEL HOLDERS, PRODUCERS AND ACCESSORIES												
	CANE RUN GT 11	50-R3 *	118,873.81	104,677	20,140	4.89	5,816	4.54	5,397	0.35	419	-	0
	ZORN AND RIVER ROAD GAS TURBINE	50-R3 *	12,801.77	12,720	722	1.69	216	1.60	205	0.09	11	-	0
	PADDY'S RUN-GENERATOR 11	50-R3 *	9,237.57	9,179	520	1.69	156	1.59	147	0.10	9	-	0
	PADDY'S RUN-GENERATOR 12	50-R3 *	12,197.11	12,000	807	1.96	239	1.77	216	0.19	23	-	0
	PADDY'S RUN-GENERATOR 13	50-R3 *	2,255,338.17	410,223	1,957,883	3.21	72,314	3.02	68,149	0.19	4,165	-	0
	BROWN COMBUSTION TURBINE #5	50-R3 *	822,580.92	150,646	713,054	3.20	26,341	3.02	24,822	0.18	1,519	-	0
	E W BROWN # 6	50-R3 *	363,762.04	76,691	305,259	3.11	11,331	2.93	10,656	0.18	675	-	0
	E W BROWN # 7	50-R3 *	102,065.03	21,519	65,649	3.11	3,179	2.93	2,990	0.18	189	-	0
	TRIMBLE COUNTY #5	50-R3 *	97,996.90	15,022	87,875	3.29	3,225	3.11	3,046	0.18	179	-	0
	TRIMBLE COUNTY #6	50-R3 *	97,861.58	15,007	87,748	3.29	3,222	3.11	3,041	0.18	181	-	0
	TRIMBLE COUNTY CT PIPELINE	50-R3 *	1,998,390.62	291,168	1,807,142	3.32	66,290	3.13	62,625	0.19	3,665	-	0
	TRIMBLE COUNTY #7	50-R3 *	338,423.07	30,646	324,698	3.50	11,833	3.31	11,216	0.19	617	-	0
	TRIMBLE COUNTY #8	50-R3 *	337,096.18	30,526	323,425	3.50	11,787	3.31	11,172	0.19	615	-	0
	TRIMBLE COUNTY #9	50-R3 *	347,146.53	31,436	333,068	3.50	12,138	3.31	11,506	0.19	632	-	0
	TRIMBLE COUNTY #10	50-R3 *	346,397.46	31,368	332,349	3.50	12,112	3.31	11,481	0.19	631	-	0
	TOTAL ACCOUNT 342 - FUEL HOLDERS, PRODUCERS AND ACCESSORIES		7,260,168.76	1,242,828	6,380,349	3.31	240,199		226,669		13,530		0
343.00	PRIME MOVERS												
	PADDY'S RUN-GENERATOR 13	30-R2 *	19,700,979.24	3,360,331	17,325,697	4.60	905,539	4.34	854,316	0.28	55,163	(0.02)	(3,940)
	BROWN COMBUSTION TURBINE #5	30-R2 *	14,310,573.52	2,411,742	12,614,360	4.61	659,452	4.35	622,244	0.28	40,070	(0.02)	(2,862)
	E W BROWN # 6	30-R2 *	15,937,077.55	2,705,722	14,029,210	4.68	745,907	4.41	702,876	0.29	46,218	(0.02)	(3,187)
	E W BROWN # 7	30-R2 *	22,587,247.07	4,531,555	19,185,054	4.60	1,039,091	4.33	978,105	0.29	65,503	(0.02)	(4,517)
	TRIMBLE COUNTY #5	30-R2 *	12,521,829.34	1,783,062	11,364,859	4.67	584,956	4.41	552,399	0.28	35,061	(0.02)	(2,504)
	TRIMBLE COUNTY #6	30-R2 *	12,417,418.76	1,775,849	11,262,441	4.67	579,749	4.41	547,463	0.28	34,769	(0.02)	(2,483)
	TRIMBLE COUNTY #7	30-R2 *	13,328,713.85	1,137,798	12,857,352	4.88	650,517	4.63	617,195	0.27	35,988	(0.02)	(2,666)
	TRIMBLE COUNTY #8	30-R2 *	13,203,748.83	1,123,917	12,740,019	4.88	644,950	4.63	611,941	0.27	35,650	(0.02)	(2,641)
	TRIMBLE COUNTY #9	30-R2 *	13,094,377.92	1,114,773	12,634,324	4.88	639,592	4.63	606,856	0.27	35,355	(0.02)	(2,619)
	TRIMBLE COUNTY #10	30-R2 *	13,055,699.41	1,111,447	12,597,037	4.88	637,706	4.63	605,067	0.27	35,250	(0.02)	(2,611)
	TOTAL ACCOUNT 343 - PRIME MOVERS		150,157,665.49	21,056,196	136,609,353	4.72	7,087,459		6,698,462		419,027		(30,030)
344.00	GENERATORS												
	CANE RUN GT 11	60-S3 *	2,492,497.42	2,116,814	500,308	5.73	142,925	5.31	132,352	0.46	11,570	(0.04)	(997)
	ZORN AND RIVER ROAD GAS TURBINE	60-S3 *	1,827,580.88	1,745,880	173,080	2.70	49,379	2.47	45,141	0.26	4,786	(0.03)	(548)
	PADDY'S RUN-GENERATOR 11	60-S3 *	1,523,115.56	1,453,449	145,822	2.74	41,664	2.51	38,230	0.26	3,891	(0.03)	(457)
	PADDY'S RUN-GENERATOR 12	60-S3 *	2,991,745.77	2,866,000	275,334	2.63	78,674	2.40	71,802	0.26	7,770	(0.03)	(898)
	PADDY'S RUN-GENERATOR 13	60-S3 *	5,859,857.43	1,010,223	5,142,627	3.00	175,996	2.83	165,969	0.20	11,785	(0.03)	(1,758)
	BROWN COMBUSTION TURBINE #5	60-S3 *	3,219,204.90	555,053	2,825,112	3.00	96,684	2.83	91,176	0.20	6,474	(0.03)	(966)
	E W BROWN # 6	60-S3 *	2,417,994.54	480,971	2,057,923	2.93	70,743	2.75	66,587	0.21	4,881	(0.03)	(725)
	E W BROWN # 7	60-S3 *	2,421,079.26	481,585	2,060,548	2.93	70,834	2.75	66,672	0.21	4,888	(0.03)	(726)
	TRIMBLE COUNTY #5	60-S3 *	1,539,295.24	222,522	1,393,738	3.09	47,599	2.92	44,971	0.20	3,090	(0.03)	(462)
	TRIMBLE COUNTY #6	60-S3 *	1,537,167.60	222,292	1,391,734	3.09	47,531	2.92	44,906	0.20	3,086	(0.03)	(461)

LOUISVILLE GAS AND ELECTRIC
ELECTRIC PLANT

CALCULATED ANNUAL ACCRUAL RATE AND AMOUNT BY
COMPONENTS AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL (13) (14)	
						RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT
344.00	GENERATORS, cont.												
	TRIMBLE COUNTY #7	60-S3	1,726,823.88	147,585	1,665,580	3.29	56,749	3.12	53,807	0.20	3,460	(0.03)	(518)
	TRIMBLE COUNTY #8	60-S3	1,717,276.72	146,770	1,656,371	3.29	56,435	3.12	53,510	0.20	3,440	(0.03)	(515)
	TRIMBLE COUNTY #9	60-S3	1,728,008.37	147,687	1,666,722	3.29	56,788	3.12	53,844	0.20	3,462	(0.03)	(518)
	TRIMBLE COUNTY #10	60-S3	1,722,674.29	147,230	1,661,578	3.29	56,613	3.12	53,678	0.20	3,452	(0.03)	(517)
	TOTAL ACCOUNT 344 - GENERATORS		32,724,321.86	11,744,061	22,516,477	3.20	1,048,614		982,645		76,035		(10,066)
345.00	ACCESSORY ELECTRIC EQUIPMENT												
	CANE RUN GT 11	35-S1.5	113,683.82	97,707	15,976	4.60	5,228	4.60	5,228	-	0	-	0
	ZORN AND RIVER ROAD GAS TURBINE	35-S1.5	40,936.08	35,364	5,572	4.50	1,844	4.50	1,844	-	0	-	0
	PADDY'S RUN-GENERATOR 11	35-S1.5	68,109.35	54,130	13,979	6.33	4,311	6.33	4,311	-	0	-	0
	PADDY'S RUN-GENERATOR 12	35-S1.5	114,337.63	92,540	21,797	5.93	6,775	5.93	6,775	-	0	-	0
	PADDY'S RUN-GENERATOR 13	35-S1.5	2,778,992.60	523,169	2,255,824	3.72	103,379	3.72	103,379	-	0	-	0
	BROWN COMBUSTION TURBINE #5	35-S1.5	2,575,301.42	484,889	2,090,412	3.72	95,800	3.72	95,800	-	0	-	0
	E W BROWN # 6	35-S1.5	942,589.47	206,351	736,238	3.67	34,598	3.67	34,598	-	0	-	0
	E W BROWN # 7	35-S1.5	943,792.03	206,613	737,179	3.67	34,642	3.67	34,642	-	0	-	0
	TRIMBLE COUNTY #5	35-S1.5	685,978.69	107,399	578,580	3.78	25,924	3.78	25,924	-	0	-	0
	TRIMBLE COUNTY #6	35-S1.5	685,031.13	107,290	577,742	3.78	25,887	3.78	25,887	-	0	-	0
	TRIMBLE COUNTY #7	35-S1.5	1,841,955.15	166,293	1,675,662	3.89	71,579	3.89	71,579	-	0	-	0
	TRIMBLE COUNTY #8	35-S1.5	1,834,731.90	165,641	1,669,091	3.89	71,298	3.89	71,298	-	0	-	0
	TRIMBLE COUNTY #9	35-S1.5	1,889,431.09	170,579	1,718,852	3.89	73,424	3.89	73,424	-	0	-	0
	TRIMBLE COUNTY #10	35-S1.5	1,885,353.63	170,211	1,715,143	3.89	73,265	3.89	73,265	-	0	-	0
	TOTAL ACCOUNT 345 - ACCESSORY ELECTRIC EQUIPMENT		16,400,223.99	2,588,176	13,812,047	3.83	627,954		627,954		0		0
346.00	MISCELLANEOUS PLANT EQUIPMENT												
	PADDY'S RUN-GENERATOR 12	50-S3	1,140.74	1,141	0	-	0	-	0	-	0	-	0
	PADDY'S RUN-GENERATOR 13	50-S3	1,260,054.85	238,779	1,021,276	2.83	35,671	2.83	35,671	-	0	-	0
	BROWN COMBUSTION TURBINE #5	50-S3	2,370,656.38	449,314	1,921,342	2.83	67,109	2.83	67,109	-	0	-	0
	E W BROWN # 6	50-S3	22,455.77	3,860	18,596	2.88	647	2.88	647	-	0	-	0
	E W BROWN # 7	50-S3	23,047.78	3,937	19,110	2.89	665	2.89	665	-	0	-	0
	TRIMBLE COUNTY #5	50-S3	8,937.45	516	8,421	3.24	290	3.24	290	-	0	-	0
	TRIMBLE COUNTY #7	50-S3	5,204.51	486	4,719	3.13	163	3.13	163	-	0	-	0
	TRIMBLE COUNTY #8	50-S3	5,182.59	483	4,700	3.13	162	3.13	162	-	0	-	0
	TRIMBLE COUNTY #9	50-S3	5,328.44	498	4,830	3.12	166	3.12	166	-	0	-	0
	TRIMBLE COUNTY #10	50-S3	5,316.29	496	4,820	3.12	166	3.12	166	-	0	-	0
	TOTAL ACCOUNT 346 - MISCELLANEOUS PLANT EQUIPMENT		3,707,324.80	699,510	3,007,814	2.83	105,039		105,039		0		0
	TOTAL OTHER PRODUCTION PLANT		225,090,308.81	39,240,012	196,099,434		9,604,463		9,109,227		535,332		(40,096)
	TRANSMISSION PLANT												
350.10	LAND AND LAND RIGHTS	50-R3	2,592,773.81	1,167,041	1,425,733	4.30	111,617	4.30	111,617	-	0	-	0
352.10	STRUCTURES AND IMPROVEMENTS	60-R2.5	3,426,227.89	1,812,349	1,956,505	1.42	48,654	1.14	39,061	0.28	9,593	-	0
353.10	STATION EQUIPMENT	55-R2.5	132,246,587.81	73,308,244	72,163,005	1.59	2,106,627	1.26	1,670,214	0.37	489,312	(0.04)	(52,899)
354.00	TOWERS AND FIXTURES	65-R3	24,705,991.57	20,296,034	14,292,355	1.58	389,647	1.10	271,058	0.48	118,589	-	0
355.00	POLES AND FIXTURES	50-R2	32,698,136.55	13,553,263	35,493,941	3.69	1,206,886	2.50	817,778	1.39	454,504	(0.20)	(65,396)
356.00	OVERHEAD CONDUCTORS AND DEVICES	50-R2	36,319,311.94	19,821,363	31,025,673	3.14	1,141,709	2.48	902,001	1.06	384,985	(0.40)	(145,277)
357.00	UNDERGROUND CONDUIT	50-R3	1,880,752.49	445,471	1,435,282	2.13	40,125	2.13	40,125	-	0	-	0
358.00	UNDERGROUND CONDUCTORS AND DEVICES	30-R3	5,303,988.77	1,567,760	3,736,229	4.21	223,050	4.21	223,050	-	0	-	0
	TOTAL TRANSMISSION PLANT		239,173,770.83	131,971,525	161,528,723		5,268,315		4,074,904		1,456,983		(263,572)

LOUISVILLE GAS AND ELECTRIC
ELECTRIC PLANT

CALCULATED ANNUAL ACCRUAL RATE AND AMOUNT BY
COMPONENTS AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL (13) (14)	
						RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT
DISTRIBUTION PLANT													
361.00	STRUCTURES AND IMPROVEMENTS	60-R3	6,416,608.23	4,796,994	2,902,939	1.16	74,470	0.98	62,883	0.18	11,587	-	0
362.00	STATION EQUIPMENT	55-R1.5	85,589,876.42	46,104,182	52,323,031	1.91	1,634,064	1.60	1,369,422	0.42	358,790	(0.11)	(94,148)
364.00	POLES, TOWERS, AND FIXTURES	50-R2.5	103,127,752.92	57,472,587	107,531,817	3.59	3,699,821	2.35	2,423,502	1.41	1,451,636	(0.17)	(175,317)
365.00	OVERHEAD CONDUCTORS AND DEVICES	45-R1.5	173,009,057.04	80,947,114	178,566,479	3.92	6,781,534	2.72	4,705,846	1.41	2,439,007	(0.21)	(363,319)
366.00	UNDERGROUND CONDUIT	70-R4	61,734,265.50	22,506,113	45,401,580	1.34	828,666	1.15	709,028	0.19	119,638	-	0
367.00	UNDERGROUND CONDUCTORS AND DEVICES	50-R2	90,008,517.11	39,454,568	64,055,231	2.24	2,012,085	1.73	1,555,419	0.63	564,676	(0.12)	(108,010)
368.00	LINE TRANSFORMERS	45-R1.5	107,982,342.81	50,507,529	79,071,282	2.90	3,134,367	2.03	2,195,746	0.87	938,621	-	0
369.10	SERVICES - UNDERGROUND	45-R1.5	3,524,148.10	1,645,420	3,112,179	3.29	116,035	1.90	67,052	1.39	48,983	-	0
369.20	SERVICES - OVERHEAD	45-S1.5	21,039,200.67	15,017,775	27,060,626	5.99	1,259,675	3.28	690,086	2.71	569,789	-	0
370.00	METERS	30-R2	34,382,670.04	14,743,379	21,358,427	4.73	1,626,657	4.44	1,526,591	0.36	124,134	(0.07)	(24,068)
373.10	STREET LIGHTING AND SIGNAL SYSTEMS - OVERHEAD	30-L1	23,772,667.59	14,545,574	13,981,630	3.84	912,711	2.98	708,425	0.90	213,795	(0.04)	(9,509)
373.20	STREET LIGHTING AND SIGNAL SYSTEMS - UNDERGROUND	35-R1.5	40,882,602.84	15,306,457	33,752,667	3.94	1,609,793	3.03	1,238,743	0.96	391,491	(0.05)	(20,441)
373.40	STREET LIGHTING AND SIGNAL SYSTEMS - TRANSFORMERS	26-R0.5	87,546.43	89,351	(1,806)	-	0	-	0	-	0	-	0
TOTAL DISTRIBUTION PLANT			751,556,255.70	363,137,043	629,116,082		23,690,078		17,252,743		7,232,147		(794,812)
GENERAL PLANT													
392.20	TRANSPORTATION EQUIPMENT - TRAILERS	30-S4	587,518.21	198,471	359,673	3.84	22,560	4.14	24,323	-	0	(0.30)	(1,763)
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	3,155,932.55	960,829	2,195,103	4.39	138,637	4.39	138,637	-	0	-	0
395.00	LABORATORY EQUIPMENT	15-SQ	1,503,831.33	805,480	698,351	30.32	455,981	30.32	455,981	-	0	-	0
396.20	POWER OPERATED EQUIPMENT - OTHER	30-R1.5	51,067.69	21,151	29,917	3.83	1,957	3.83	1,957	-	0	-	0
TOTAL GENERAL PLANT			5,298,349.78	1,985,931	3,283,044		619,135		620,898		0		(1,763)
TOTAL DEPRECIABLE PLANT			3,172,229,288.15	1,486,181,991	2,420,164,944		111,403,673		84,210,642		30,243,350		(3,050,319)

LOUISVILLE GAS AND ELECTRIC
GAS PLANT

CALCULATED ANNUAL ACCRUAL RATE AND AMOUNT BY
COMPONENTS AS OF DECEMBER 31, 2006

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL (13) (14)		
						RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	
DEPRECIABLE PLANT														
PRODUCTION PLANT														
350.20	RIGHTS OF WAY	55-R4	0	63,678.14	70,451	(6,773)	-	0	-	0	-	0	-	0
351.20	COMPRESSOR STATION STRUCTURES	50-R2.5	(5)	1,696,319.20	743,281	1,037,855	1.68	28,509	1.53	26,036	0.15	2,473	-	0
351.30	MEASURING AND REGULATING STATION STRUCTURES	55-R2.5	(5)	10,879.61	14,474	(3,050)	-	0	-	0	-	0	-	0
351.40	OTHER STRUCTURES	50-R3	(5)	1,236,356.49	807,089	491,085	1.07	13,172	0.92	11,381	0.15	1,791	-	0
352.10	STORAGE LEASEHOLDS AND RIGHTS	65-R4	0	548,241.14	569,590	(21,349)	-	0	-	0	-	0	-	0
352.20	RESERVOIRS	55-R4	0	400,511.40	446,270	(45,759)	-	0	-	0	-	0	-	0
352.30	NONRECOVERABLE NATURAL GAS	50-SQ	0	9,648,855.00	7,165,705	2,483,150	0.92	88,298	0.92	88,298	-	0	-	0
352.40	WELL DRILLING	55-R2.5	(20)	2,622,897.61	2,710,350	437,125	0.44	11,504	0.33	8,656	0.11	2,848	-	0
352.50	WELL EQUIPMENT	50-R2.5	(20)	6,142,762.54	728,355	6,642,963	4.05	248,732	3.27	201,151	0.83	50,652	(0.05)	(3,071)
353.00	LINES	45-S1	(10)	12,786,744.73	6,643,582	7,421,838	2.12	271,652	1.71	218,623	0.51	65,816	(0.10)	(12,787)
354.00	COMPRESSOR STATION EQUIPMENT	50-R3	(5)	13,961,769.92	6,978,446	7,681,418	1.47	205,495	1.33	186,204	0.16	22,083	(0.02)	(2,792)
355.00	MEASURING AND REGULATING EQUIPMENT	40-R1	(5)	387,809.47	252,799	154,402	1.72	6,677	1.50	5,800	0.24	955	(0.02)	(78)
356.00	PURIFICATION EQUIPMENT	45-R2	(15)	9,934,256.85	4,093,652	7,330,742	2.44	241,956	1.93	192,029	0.57	55,888	(0.06)	(5,961)
357.00	OTHER EQUIPMENT	40-R2	0	1,033,211.58	269,736	763,476	2.81	29,031	2.81	29,031	-	0	-	0
TOTAL PRODUCTION PLANT				60,474,293.68	31,493,780	34,367,123	1.89	1,145,026		967,209		202,506		(24,689)
TRANSMISSION PLANT														
365.20	RIGHTS OF WAY	65-S3	0	220,659.05	199,377	21,282	0.30	655	0.30	655	-	0	-	0
367.00	MAINS	65-R2.5	(10)	12,673,432.30	11,578,244	2,362,536	0.44	56,156	0.36	45,824	0.09	11,799	(0.01)	(1,267)
TOTAL TRANSMISSION PLANT				12,894,091.35	11,777,621	2,383,818	0.44	56,811		46,279		11,799		(1,267)
DISTRIBUTION PLANT														
374.22	OTHER DISTRIBUTION LAND RIGHTS	65-S3	0	74,018.23	72,775	1,242	0.04	28	0.04	28	-	0	-	0
375.10	STRUCTURES & IMPROVEMENTS - CITY GATE STATION	55-R3	(5)	224,018.51	112,776	122,443	1.23	2,764	1.12	2,506	0.11	258	-	0
375.20	STRUCTURES & IMPROVEMENTS - OTHER DISTRIBUTION	30-L1	(5)	505,354.95	96,486	434,139	7.71	38,955	7.24	36,606	0.47	2,349	-	0
376.00	MAINS	65-R2.5	(30)	262,334,573.57	92,672,522	248,362,426	2.16	5,656,026	1.42	3,717,653	0.80	2,095,774	(0.06)	(157,401)
378.00	MEASURING AND REGULATING STATION EQUIP-GENERAL	41-S0	(10)	7,853,390.14	1,861,536	6,777,193	3.68	288,766	3.23	253,756	0.48	37,366	(0.03)	(2,356)
379.00	MEASURING AND REGULATING STATION EQUIP-CITY GATE	45-S1	(15)	3,846,544.97	1,301,803	3,121,721	2.96	113,941	2.55	98,087	0.44	17,008	(0.03)	(1,154)
380.00	SERVICES	42-S0	(55)	125,366,090.71	47,057,089	147,260,348	5.03	6,308,119	3.09	3,873,812	1.94	2,434,307	-	0
381.00	METERS	31-R1.5	0	21,171,719.50	3,872,688	17,299,033	5.21	1,103,358	5.21	1,103,358	-	0	-	0
382.00	METER INSTALLATIONS	20-L0	0	9,136,341.11	(817,817)	9,954,158	11.17	1,020,340	11.17	1,020,340	-	0	-	0
383.00	HOUSE REGULATORS	45-R3	(5)	4,588,091.61	1,202,930	3,625,064	2.59	119,212	2.39	109,686	0.20	9,526	-	0
384.00	HOUSE REGULATOR INSTALLATIONS	45-R2	(5)	4,707,358.65	513,259	4,429,471	3.17	149,262	2.99	140,958	0.18	8,304	-	0
385.00	MEASURING AND REGULATING STATION EQUIPMENT	40-S2.5	0	159,361.88	114,537	44,825	1.07	1,699	1.07	1,699	-	0	-	0
387.00	OTHER EQUIPMENT	40-S2	0	51,112.34	10,602	40,311	3.99	2,038	3.99	2,038	-	0	-	0
TOTAL DISTRIBUTION PLANT				440,027,976.17	148,071,386	441,472,374	3.36	14,804,508		10,360,527		4,604,892		(160,911)
GENERAL PLANT														
392.20	TRANSPORTATION EQUIPMENT - TRAILERS	20-L1	5	474,814.36	131,916	319,157	6.56	31,171	7.07	33,558	-	0	(0.51)	(2,387)
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT	25-SQ	0	3,474,777.85	1,139,401	2,335,377	4.68	162,575	4.68	162,575	-	0	-	0
395.00	LABORATORY EQUIPMENT	15-SQ	0	439,513.20	258,930	180,583	36.02	158,291	36.02	158,291	-	0	-	0
396.20	POWER OPERATED EQUIPMENT - OTHER	25-R1.5	5	53,369.30	32,879	17,822	3.25	1,733	3.80	2,029	-	0	(0.55)	(295)
TOTAL GENERAL PLANT				4,442,474.71	1,563,126	2,852,939	7.96	353,770		356,453		0		(2,683)
TOTAL DEPRECIABLE PLANT				517,838,835.91	192,905,913	481,076,254	3.16	16,360,115		11,730,468		4,819,197		(189,550)

LOUISVILLE GAS AND ELECTRIC
COMMON PLANT

CALCULATED ANNUAL ACCRUAL RATE AND AMOUNT BY
COMPONENTS AS OF DECEMBER 31, 2008

ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	TOTAL CALCULATED ANNUAL ACCRUAL RATE AMOUNT (7) (8)		CAPITAL RECOVERY ANNUAL ACCRUAL RATE AMOUNT (9) (10)		COST OF REMOVAL ANNUAL ACCRUAL RATE AMOUNT (11) (12)		GROSS SALVAGE ANNUAL ACCRUAL RATE AMOUNT (13) (14)		
						RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	
DEPRECIABLE PLANT														
390.10	STRUCTURES AND IMPROVEMENTS													
390.10	GENERAL OFFICE	35-R2	49,324,994.87	14,956,690	39,300,806	4.01	1,975,568	3.59	1,770,767	0.42	204,821	-	0	
390.20	TRANSPORTATION	25-R2.5	431,573.62	(751,201)	1,204,355	29.19	125,961	28.69	123,838	0.50	2,123	-	0	
390.30	STORES	45-R3	10,929,115.62	6,757,968	4,717,604	1.72	188,048	1.50	163,760	0.22	24,288	-	0	
390.40	SHOPS	45-R4	589,466.55	301,465	317,476	1.46	8,624	1.29	7,597	0.17	1,027	-	0	
390.60	MICROWAVE	45-R3	855,652.76	141,684	758,754	2.87	22,838	2.51	21,446	0.16	1,392	-	0	
OFFICE FURNITURE AND EQUIPMENT														
391.10	FURNITURE	20-SQ	12,512,975.03	7,559,547	4,953,428	6.06	758,143	6.06	758,143	-	0	-	0	
391.20	EQUIPMENT	15-SQ	3,342,047.27	2,433,715	909,331	8.89	297,134	8.89	297,134	-	0	-	0	
391.30	COMPUTER EQUIPMENT	5-SQ	19,219,230.99	9,693,676	9,525,555	22.05	4,237,208	22.05	4,237,208	-	0	-	0	
391.31	PERSONAL COMPUTER	4-SQ	1,217,943.37	271,695	946,249	26.19	319,003	26.19	319,003	-	0	-	0	
391.40	SECURITY EQUIPMENT	10-SQ	2,554,508.44	1,702,665	851,844	6.99	178,458	6.99	178,458	-	0	-	0	
392.00	TRANSPORTATION EQUIPMENT - TRAILERS	27-O1	63,404.28	27,826	32,608	3.50	2,221	3.86	2,445	-	0	(0.36)	(224)	
393.00	STORES EQUIPMENT	25-SQ	1,210,653.40	414,144	796,509	5.60	67,785	5.60	67,785	-	0	-	0	
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	3,470,364.28	672,910	2,797,454	5.17	179,536	5.17	179,536	-	0	-	0	
395.00	LABORATORY EQUIPMENT	15-SQ	22,281.50	8,637	13,645	61.24	13,645	61.24	13,645	-	0	-	0	
396.00	POWER OPERATED EQUIPMENT - OTHER	25-S1.5	14,147.08	6,945	5,787	4.64	856	5.28	747	-	0	(0.64)	(91)	
397.00	COMMUNICATION EQUIPMENT	15-SQ	36,367,603.48	12,740,088	23,627,517	12.00	4,365,671	12.00	4,365,671	-	0	-	0	
397.10	COMMUNICATION EQUIPMENT - COMPUTER	15-SQ	5,784,754.49	5,155,519	629,236	0.90	51,982	0.90	51,982	-	0	-	0	
398.00	MISCELLANEOUS EQUIPMENT	10-SQ	594,390.05	(154,835)	749,225	34.63	205,861	34.63	205,861	-	0	-	0	
TOTAL DEPRECIABLE PLANT			148,505,107.06	61,938,938	92,134,383	8.75	12,998,362	8.60	12,765,028		233,651		(315)	

LOUISVILLE GAS AND ELECTRIC COMPANY

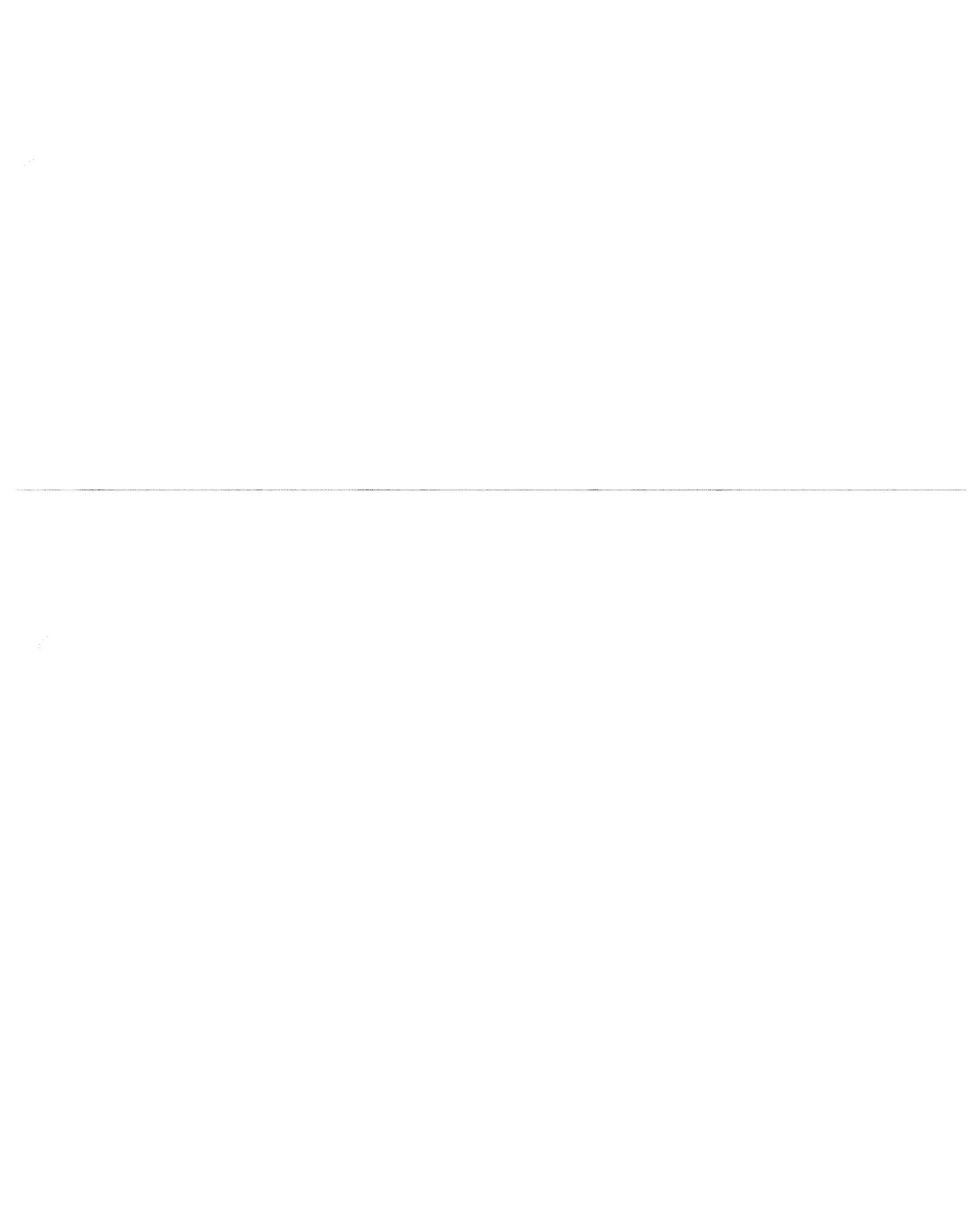
**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 30

Witness: John J. Spanos

- Q-30. If not provided elsewhere, please provide all remaining life calculations resulting from the Depreciation Study both in hard copy and in electronic format with all formulae intact.
- A-30. The remaining life calculations resulting from the Depreciation Study are set forth on pages III-428 through III-628. The electronic format is available in the .txt format as a part of the response to AG-16.



LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 31

Witness: John J. Spanos

Q-31. If not provided elsewhere, electronic (Excel) versions of each net salvage study prepared for the Depreciation Study, with all formulae intact.

A-31. There is no electronic (Excel) version of the net salvage analyses prepared for the Depreciation Study. The electronic version in .txt format is part of the response to AG-16.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 32

Witness: John J. Spanos

- Q-32. If not provided elsewhere, please provide on diskette or CD all workpapers supporting terminal net salvage (decommissioning) estimates for each account for which terminal net salvage is a factor. Please include all calculations in electronic format (Excel), with all formulae intact. Also, explain and provide an example of how the terminal net salvage estimates are incorporated into Mr. Spanos's total proposed net salvage estimate.
- A-32. There is no terminal net salvage estimate incorporated in the Depreciation Study performed by Mr. Spanos for Louisville Gas and Electric Company.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 18

Witness: John J. Spanos

- Q-18. If the depreciation study data provided in response to the preceding question is not the exact set of data used to run the life analyses for the Depreciation Study submitted in this case, please explain all differences and reconcile the amounts provided to those used in the Depreciation Study.
- A-18. The data set forth in response to AG-17 is the same as that used in the life analyses.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 19

Witness: John J. Spanos

- Q-19. If not provided elsewhere, please provide all amortization workpapers and calculations in electronic format (Excel) with all formulae intact. Include all workpapers and support for the selection of the proposed amortization periods.
- A-19. The industry statistics set forth as an attachment to the response to AG-8 provide the support for the amortization periods.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 20

Witness: John J. Spanos

- Q-20. Please refer to page 7, line 23 through page 8, line 24 of Mr. Spanos's testimony. Did LG&E experience a change in account numbers since the last depreciation study was filed? If so, please reconcile the account numbers used in the current study with those used in the previous study. If not, please explain Mr. Spanos's statement on those lines.
- A-20. Louisville Gas and Electric Company did not experience a change in account numbers since the last depreciation study was filed. The statement on page 7, line 23 through page 8, line 24 of Mr. Spanos' testimony was intended to establish the accounts subject to amortization accounting.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 21

Witness: John J. Spanos

- Q-21. If not provided elsewhere, please provide the cost of removal and gross salvage data used in the Depreciation Study net salvage analyses. If this data differs from that reflected on the Company's books, please explain the differences and provide a reconciliation. Please provide this data in electronic (Excel or .txt) format.
- A-21. The files included on the attached CD in .txt format set forth the cost of removal and gross salvage data used in the Depreciation Study net salvage analyses. This data was supplied by the Company to Gannett Fleming for the Depreciation Study.

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 22

Witness: John J. Spanos / Shannon L. Charnas

Q-22. Please provide the following annual accumulated depreciation amounts for *all* plant accounts for the last 10 years (up to, and including, 2007). If the requested data is not available for the last 10 years, please provide the data for as many years as are available. Please provide data in both hard copy and electronic format (Excel or .txt).

- a. Beginning and ending reserve balances,
- b. Annual depreciation expense,
- c. Annual retirements,
- d. Annual cost of removal and gross salvage,
- e. Annual third party reimbursements.

A-22. The attached reserve or accumulated depreciation schedules (years 2003-2006) are available for Louisville Gas and Electric Company. The depreciation study was performed through 2006, therefore, 2007 is not applicable. Each year includes a breakdown of accumulated depreciation by state. The electronic Excel files are included on the attached CD.

Louisville Gas and Electric Company

Reserve and Accumulated Depreciation Schedules

2003

Louisville Gas and Electric Company
Summary of Utility Plant
December 31, 2003

	NET BALANCE FIRST OF YEAR	ADDITIONS	RETIREMENTS	TRANSFERS/ADJUSTMENTS	NET ADDITIONS	BALANCE TO DATE	
UTILITY PLANT IN SERVICE							
ELECTRIC						2,340.29	
Intangible	2,340.29	-	-	-	-	2,340.29	
Steam Production	1,665,684,137.81	61,645,519.27	(11,109,007.77)	-	50,536,511.50	1,716,220,649.31	
Hydro	9,324,683.24	494,532.15	(16,963.65)	-	477,568.50	9,802,251.74	
Other Production	152,479,851.71	2,076,076.15	(1,348,341.77)	-	727,734.38	153,207,586.09	
Transmission	213,912,790.08	8,515,827.97	(142,630.11)	-	8,373,197.86	222,285,987.94	
Distribution	656,405,005.49	37,881,852.54	(3,401,296.04)	-	34,480,556.50	690,885,561.99	
General	19,378,595.64	366,020.11	(2,192,344.13)	-	(1,826,324.02)	17,552,271.62	
TOTAL ELECTRIC	2,717,187,404.26	110,979,828.19	(18,210,583.47)	-	92,769,244.72	2,809,956,648.98	
GAS						553,232.59	
Intangible	553,232.59	-	-	-	-	553,232.59	
Natural Gas Storage Plant Underground	54,336,273.67	1,811,033.12	(32,116.18)	-	1,778,916.94	56,115,190.61	
Transmission	12,414,633.91	300,010.47	-	-	300,010.47	12,714,644.38	
Distribution	356,807,061.42	39,076,918.63	(7,724,491.10)	-	31,352,427.53	388,159,488.95	
General	8,983,446.29	175,524.87	(337,359.36)	-	(161,834.49)	8,821,611.80	
Gas Stored Underground Non-Current	2,139,990.00	-	-	-	-	2,139,990.00	
TOTAL GAS	435,234,637.88	41,363,487.09	(8,093,966.64)	-	33,269,520.45	468,504,158.33	
COMMON						32,473,783.83	
Intangible	24,532,730.28	7,941,053.55	-	-	7,941,053.55	32,473,783.83	
General	145,044,129.61	14,492,778.94	(5,454,478.08)	-	9,038,300.86	154,082,430.47	
TOTAL COMMON	169,576,859.89	22,433,832.49	(5,454,478.08)	-	16,979,354.41	186,556,214.30	
TOTAL PLANT IN SERVICE	3,321,998,902.03	174,777,147.77	(31,759,028.19)	-	143,018,119.58	3,465,017,021.61	
Construction Work In Progress						312,470,727.44	
Electric	261,760,776.30	50,709,951.14	-	-	50,709,951.14	312,470,727.44	
Gas	25,501,848.83	(11,790,912.84)	-	-	(11,790,912.84)	13,710,935.99	
Common	13,723,766.35	(739,016.27)	-	-	(739,016.27)	12,984,750.08	
Total Construction Work In Progress	300,986,391.48	38,180,022.03	-	-	38,180,022.03	339,166,413.51	
Total Utility Plant at Original Cost	3,622,985,293.51	212,957,169.80	(31,759,028.19)	-	181,198,141.61	3,804,183,435.12	
RESERVE FOR DEPRECIATION OF UTILITY PLANT							
	NET BALANCE FIRST OF YEAR	ACCRUALS	RETIREMENTS	COST OF REMOVAL	SALVAGE	OTHER CREDITS	BALANCE TO DATE
Plant In Service							1,299,230,084.82
Electric	1,235,700,821.25	84,005,124.23	(18,210,583.47)	(3,436,388.14)	168,550.20	1,004,560.75	1,299,230,084.82
Gas	159,276,235.08	12,903,689.10	(8,093,966.64)	(791,351.09)	1,317.78	-	163,295,924.23
Common	55,289,741.92	11,578,214.38	(5,454,478.08)	(192,691.88)	-	-	61,220,786.34
Total Reserve For Depreciation Of Utility Plant In Service	1,450,266,798.25	108,487,027.71	(31,759,028.19)	(4,422,431.11)	169,867.98	1,004,560.75	1,523,746,795.39
Reserve For Amortization Of Utility Plant In Service							100.00
Electric	100.00	-	-	-	-	-	100.00
Gas	574,193.92	-	-	-	-	-	574,193.92
Common	18,101,954.13	6,034,829.74	-	-	-	-	24,136,783.87
Total Reserve For Amortization Of Utility Plant In Service	18,676,248.05	6,034,829.74	-	-	-	-	24,711,077.79
Retirement Work in Progress							(4,599,160.46)
Electric	(4,845,891.80)	-	-	3,336,778.15	(177,857.83)	(2,912,188.98)	(4,599,160.46)
Gas	(43,721.15)	-	-	(330,200.26)	(931.89)	(34,256.10)	(409,109.40)
Common	(379,491.56)	-	-	468,103.21	(104,849.30)	(43,186.20)	(59,423.85)
Total Retirement Work in Progress	(5,269,104.51)	-	-	3,474,681.10	(283,639.02)	(2,989,631.28)	(5,067,693.71)
Total Reserve For Depreciation and Amortization - Utility Plant In Service	1,463,673,941.79	114,521,857.45	(31,759,028.19)	(947,750.01)	(113,771.04)	(1,985,070.53)	1,543,390,179.47
Utility Plant at Original Cost Less Reserve For Depreciation and Amortization	2,159,311,351.72						2,260,793,255.65
			22.00				

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2003

22.1

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
INTANGIBLE PLANT								
130100 ORGANIZATION - PROJECT 289	2,240.29					2,240.29		2,240.29
130200 FRANCHISES AND CONSENTS	100.00					100.00	100.00	0.00
TOTAL INTANGIBLE PLANT	2,340.29					2,340.29	100.00	2,240.29
PRODUCTION PLANT								
STEAM PLANT								
131020 LAND	5,053,819.49	1,150,033.81		1,150,033.81		6,203,853.30	0.00	6,203,853.30
131100 STRUCTURES AND IMPROVEMENTS	321,615,851.53	3,956,193.93	865,133.31	3,091,060.62		324,706,912.15	172,863,596.67	151,843,315.48
131200 BOILER PLANT EQUIPMENT	976,269,367.02	43,034,670.93	7,090,284.56	35,944,386.37		1,012,213,753.39	461,484,863.72	550,728,889.67
131400 TURBOGENERATOR UNITS	189,224,622.55	7,688,585.59	3,077,538.11	4,611,047.48		193,835,670.03	106,347,808.79	87,487,861.24
131500 ACCESSORY ELECTRIC EQUIPMENT	163,988,443.18	236,404.78	74,452.00	161,952.78		164,150,395.96	89,444,322.91	74,706,073.05
131600 MISCELLANEOUS POWER PLANT EQUIPMENT	9,532,034.04	998,620.18	1,599.74	997,020.44		10,529,054.48	3,738,124.57	6,790,929.91
131700 ASSET RETIREMENT OBLIGATIONS STEAM PLANT	0.00	4,581,010.05	0.05	4,581,010.00		4,581,010.00	1,128,060.21	3,452,949.79
TOTAL STEAM PRODUCTION PLANT	1,665,684,137.81	61,645,519.27	11,109,007.77	50,536,511.50		1,716,220,649.31	835,006,776.87	881,213,872.44
HYDRAULIC PLANT								
PROJECT 289								
133020 LAND	7.00			0.00		7.00		7.00
133100 STRUCTURES AND IMPROVEMENTS	4,995,148.82			0.00		4,995,148.82	5,372,603.27	(377,454.45)
133200 RESERVOIRS, DAMS AND WATERWAYS	303,530.35			0.00		303,530.35	174,066.38	129,463.97
133300 WATERWHEELS, TURBINES AND GENERATORS	2,316,031.31	201,682.84	16,963.65	184,719.19		2,500,750.50	2,649,909.93	(149,159.43)
133400 ACCESSORY ELECTRIC EQUIPMENT	1,304,908.02	292,849.31		292,849.31		1,597,757.33	789,680.86	808,076.47
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	151,460.96			0.00		151,460.96	92,572.38	58,888.58
133600 ROADS, RAILROADS AND BRIDGES	178,846.99			0.00		178,846.99	210,465.06	(31,618.07)
TOTAL HYDRAULIC PLANT-PROJECT 289	9,249,933.45	494,532.15	16,963.65	477,568.50		9,727,501.95	9,289,297.88	438,204.07
OTHER THAN PROJECT 289								
133020 LAND	6.00			0.00		6.00		6.00
133100 STRUCTURES AND IMPROVEMENTS	65,796.14			0.00		65,796.14	31,963.83	33,832.31
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	7,813.67			0.00		7,813.67	1,653.96	6,159.71
133600 ROADS, RAILROADS AND BRIDGES	1,133.98			0.00		1,133.98	770.87	363.11
TOTAL HYDRAULIC PLANT - OTHER THAN PROJECT 289	74,749.79	0.00	0.00	0.00		74,749.79	34,388.66	40,361.13
TOTAL HYDRAULIC PRODUCTION PLANT	9,324,683.24	494,532.15	16,963.65	477,568.50		9,802,251.74	9,323,686.54	478,565.20

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2003

22.2

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
PRODUCTION PLANT							
OTHER PRODUCTION PLANT							
134020 LAND	41,125.94			0.00	41,125.94		41,125.94
134100 STRUCTURES AND IMPROVEMENTS	6,641,030.83	82,484.51		82,484.51	6,723,515.34	951,342.61	5,772,172.73
134200 FUEL HOLDERS, PRODUCERS AND ACCESS.	5,833,515.86		4,128.41	(4,128.41)	5,829,387.45	620,497.23	5,208,890.22
134300 PRIME MOVERS	100,745,869.68	1,951,901.81	1,344,213.36	607,688.45	101,353,558.13	11,655,081.35	89,698,476.78
134400 GENERATORS	26,258,224.54			0.00	26,258,224.54	9,584,659.85	16,673,564.69
134500 ACCESSORY ELECTRIC EQUIPMENT	9,281,384.05	18,268.83		18,268.83	9,299,652.88	1,185,286.68	8,114,366.20
134600 MISC. POWER PLANT EQUIPMENT	3,678,700.81	23,421.00		23,421.00	3,702,121.81	342,967.83	3,359,153.98
TOTAL OTHER PRODUCTION PLANT	152,479,851.71	2,076,076.15	1,348,341.77	727,734.38	153,207,586.09	24,339,835.55	128,867,750.54
TOTAL PRODUCTION PLANT	1,827,488,672.76	64,216,127.57	12,474,313.19	51,741,814.38	1,879,230,487.14	868,670,298.96	1,010,560,188.18
TRANSMISSION PLANT							
PROJECT 289							
135310 STATION EQUIP.-NON SYS CONTROL/COMM.	1,108,850.33			0.00	1,108,850.33	322,382.48	786,467.85
135600 OVERHEAD CONDUCTORS AND DEVICES	16,389.51			0.00	16,389.51	13,631.82	2,757.69
TOTAL TRANSMISSION PLANT-PROJECT 289	1,125,239.84				1,125,239.84	336,014.30	789,225.54
OTHER THAN PROJECT 289							
135020 LAND	744,530.03			0.00	744,530.03		744,530.03
135010 LAND RIGHTS	2,127,673.77			0.00	2,127,673.77	869,640.69	1,258,033.08
135210 STRUCT & IMPROVE-NON SYS CONT./COMM.	2,568,381.76	306,816.01		306,816.01	2,875,197.77	1,433,005.77	1,442,192.00
135310 STATION EQUIP.-NON SYS CONTROL/COMM.	104,953,634.47	6,769,239.45	9,831.28	6,759,408.17	111,713,042.64	61,896,722.72	49,816,319.92
135400 TOWERS AND FIXTURES	17,778,030.33			0.00	17,778,030.33	14,785,228.32	2,992,802.01
135500 POLES AND FIXTURES	25,198,632.24	706,497.97	124,059.93	582,438.04	25,781,070.28	10,490,146.34	15,290,923.94
135600 OVERHEAD CONDUCTORS AND DEVICES	30,035,023.67	691,618.00	4,695.47	686,922.53	30,721,946.20	14,524,726.02	16,197,220.18
135700 UNDERGROUND CONDUIT	1,868,318.57	12,433.92		12,433.92	1,880,752.49	333,754.12	1,546,998.37
135800 UNDERGROUND CONDUCTORS & DEVICES	5,312,495.53	1,781.01		1,781.01	5,314,276.54	1,193,236.09	4,121,040.45
135910 ASSET RETIRE. OBLIGATIONS TRANS. PLANT	0.00	4,000.00		4,000.00	4,000.00	1,227.42	2,772.58
TOTAL TRANSMISSION PLANT - OTHER THAN PROJECT 289	190,586,720.37	8,492,386.36	138,586.68	8,353,799.68	198,940,520.05	105,527,687.49	93,412,832.56
TOTAL TRANSMISSION PLANT	191,711,960.21	8,492,386.36	138,586.68	8,353,799.68	200,065,759.89	105,863,701.79	94,202,058.10

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2003

22.3

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
DISTRIBUTION PLANT							
136020 LAND	1,944,025.21	40,519.11		40,519.11	1,984,544.32	0.00	1,984,544.32
136100 STRUCTURES AND IMPROVEMENTS	5,970,567.19	106,047.10	1,425.82	104,621.28	6,075,188.47	4,405,336.74	1,669,851.73
136200 STATION EQUIPMENT	77,076,667.96	1,382,004.30	2,123.71	1,379,880.59	78,456,548.55	40,796,831.40	37,659,717.15
136400 POLES, TOWERS AND FIXTURES	92,365,173.97	3,811,742.92	91,958.95	3,719,783.97	96,084,957.94	47,567,854.17	48,517,103.77
136500 OVERHEAD CONDUCTORS AND DEVICES	141,726,405.93	14,871,101.15	1,357,459.11	13,513,642.04	155,240,047.97	63,126,690.70	92,113,357.27
136600 UNDERGROUND CONDUIT	52,616,554.85	3,827,427.99		3,827,427.99	56,443,982.84	19,786,504.11	36,657,478.73
136700 UNDERGROUND CONDUCTORS & DEVICES	77,051,441.79	5,913,425.12	52,468.39	5,860,956.73	82,912,398.52	31,505,084.94	51,407,313.58
136810 LINE TRANSFORMERS	86,556,988.44	1,502,766.47	278,958.00	1,223,808.47	87,780,796.91	40,488,149.54	47,292,647.37
136820 LINE TRANSFORMER INSTALLATIONS	8,826,655.56	237,600.72	48,355.18	189,245.54	9,015,901.10	3,261,308.05	5,754,593.05
136910 UNDERGROUND SERVICES	2,342,286.94	1,153,459.93		1,153,459.93	3,495,746.87	1,307,036.04	2,188,710.83
136920 OVERHEAD SERVICES	20,522,816.15	611,358.99	94,956.81	516,402.18	21,039,218.33	12,208,362.72	8,830,855.61
137010 METERS	25,504,715.46	792,987.38	1,040,572.56	(247,585.18)	25,257,130.28	10,284,820.88	14,972,309.40
137020 METER INSTALLATIONS	8,359,328.27	307,314.89	158,889.80	148,425.09	8,507,753.36	2,930,920.11	5,576,833.25
137310 OVERHEAD STREET LIGHTING	22,600,470.38	426,059.46	66,928.19	359,131.27	22,959,601.65	10,491,670.00	12,467,931.65
137320 UNDERGROUND STREET LIGHTING	32,156,589.30	2,898,037.01	207,199.52	2,690,837.49	34,847,426.79	10,595,979.76	24,251,447.03
137340 STREET LIGHTING TRANSFORMERS	87,546.43				87,546.43	89,350.62	(1,804.19)
TOTAL DISTRIBUTION PLANT	655,708,233.83	37,881,852.54	3,401,296.04	34,480,556.50	690,188,790.33	298,845,899.78	391,342,890.55
GENERAL PLANT							
139210 TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	12,069,086.02	3,030.00	2,059,944.62	(2,056,914.62)	10,012,171.40	9,078,440.29	933,731.11
139220 TRANSPORTATION EQUIPMENT - TRAILERS	590,217.25			0.00	590,217.25	193,623.14	396,594.11
139400 TOOLS, SHOP, AND GARAGE EQUIPEMNT	2,687,990.96	362,990.11		362,990.11	3,050,981.07	788,981.90	2,261,999.17
139500 LABORATORY EQUIPMENT	1,548,796.71			0.00	1,548,796.71	727,301.75	821,494.96
139610 POWER OPERATED EQUIP - HOURLY RATED	2,337,037.87		132,399.51	(132,399.51)	2,204,638.36	2,043,063.88	161,574.48
139620 POWER OPERATED EQUIPMENT - OTHER	145,466.83			0.00	145,466.83	109,786.51	35,680.32
TOTAL GENERAL PLANT	19,378,595.64	366,020.11	2,192,344.13	(1,826,324.02)	17,552,271.62	12,941,197.47	4,611,074.15
SUMMARY							
101 TOTAL ELECTRIC PLANT IN SERVICE	2,694,289,802.73	110,956,386.58	18,206,540.04	92,749,846.54	2,787,039,649.27	1,286,321,198.00	1,500,718,451.27
102 ELECTRIC PLANT PURCHASED OR SOLD							(18,038.35)
103 ELECTRIC PLANT IN PROCESS OF RECLASSIFICATION							
104 ELECTRIC PLANT LEASED TO OTHERS							
105 ELECTRIC PLANT HELD FOR FUTURE USE	696,771.66				696,771.66		696,771.66
107 CONSTRUCTION WORK IN PROGRESS-ELEC.	261,746,919.98	50,262,587.01		50,262,587.01	312,009,506.99		312,009,506.99
TOTAL ELECTRIC PLANT	2,956,733,494.37	161,218,973.59	18,206,540.04	143,012,433.55	3,099,745,927.92	1,286,321,198.00	1,813,424,729.92

299,274,664.30

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 PLANT HELD FOR FUTURE USE
 AS OF DECEMBER 31, 2003

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
ELECTRIC DISTRIBUTION							685,389.54
136020 SUBSTATION LAND - CLASS A	685,389.54						685,389.54
136200 SUBSTATION EQUIPMENT-CLASS A	11,382.12				11,382.12		11,382.12
TOTAL DISTRIBUTION PLANT	696,771.66				696,771.66		696,771.66
TOTAL ELECTRIC PLANT HELD FOR FUTURE USE	696,771.66				696,771.66		696,771.66

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
NONUTILITY PROPERTY
AS OF DECEMBER 31, 2003

22.5

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
COAL MINE								
LAND	4,184.17				4,184.17		4,184.17	
MINERAL RIGHTS	63,110.43				63,110.43	63,110.43		
RIGHTS OF WAY	249.93				249.93	249.93		
TOTAL COAL MINE	67,544.53				67,544.53	63,360.36	4,184.17	
OTHER NONUTILITY PROPERTY								
MISCELLANEOUS LAND	13,153.30				13,153.30		13,153.30	
TOTAL NONUTILITY PROPERTY	80,697.83				80,697.83	63,360.36	17,337.47	
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RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY								
COAL MINE	63,360.36				63,360.36			
TOTAL RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY	63,360.36				63,360.36			
TOTAL NONUTILITY PROPERTY LESS RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION	17,337.47				17,337.47			

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
AS OF DECEMBER 31, 2003

RESERVE FOR DEPRECIATION - ELECTRIC EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE					NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	SALVAGE	COST OF REMOVAL	
ELECTRIC						835,006,776.87
STEAM PRODUCTION	796,454,668.56	49,996,043.89	11,109,007.77		1,339,488.56	9,289,297.88
HYDRAULIC PRODUCTION - PROJECT 289	9,150,329.81	181,982.37	16,963.65		26,050.65	34,388.66
HYDRAULIC PRODUCTION - NON-PROJECT	33,073.22	1,315.44				24,339,835.55
OTHER PRODUCTION	20,674,502.23	5,021,997.09	1,348,341.77		8,322.00	336,014.30
TRANSMISSION - PROJECT 289	310,788.65	25,225.65				105,527,687.49
TRANSMISSION - NON-PROJECT	100,837,408.69	4,874,438.24	138,586.68	(516.11)	45,056.65	298,845,899.78
DISTRIBUTION	281,376,222.37	22,719,039.60	3,401,296.04	169,066.31	2,017,132.46	1,819,693.30
GENERAL	1,628,604.00	191,089.30				
TOTAL ELECTRIC EXCL. TRANSP. & P.O. EQ.	1,210,465,597.53	83,011,131.58	16,014,195.91	168,550.20	3,436,050.32	1,275,199,593.83
TOTAL TRANSPORTATION EQUIPMENT	10,747,126.97	391,257.94	2,059,944.62			9,078,440.29
TOTAL POWER OPERATED EQUIPMENT	2,089,181.09	86,282.30	132,399.51			2,043,063.88
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	1,223,301,905.59	83,488,671.82	18,206,540.04	168,550.20	3,436,050.32	1,286,321,098.00
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC. ELECTRIC	100.00					100.00
RETIREMENT WORK IN PROGRESS:						4,038,168.12
PRODUCTION	(1,391,022.10)			(79,298.13)	6,029,771.13	(353,993.21)
TRANSMISSION	(26,831.88)			(37,785.65)	(83,551.48)	(205,824.20)
DISTRIBUTION	(3,428,037.82)			(60,774.05)	(2,609,441.50)	(2,185,082.00)
TOTAL RETIREMENT WORK IN PROGRESS	(4,845,891.80)			(177,857.83)	3,336,778.15	(2,912,168.98)

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2003

22.7

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
INTANGIBLE PLANT								
230100 ORGANIZATION					1,187.49	800.00	387.49	
230200 FRANCHISES AND CONSENTS	1,187.49				552,045.10	573,393.92	(21,348.82)	
235210 STORAGE LEASEHOLDS AND RIGHTS	552,045.10							
TOTAL INTANGIBLE PLANT	553,232.59				553,232.59	574,193.92	(20,961.33)	
NATURAL GAS STORAGE PLANT								
UNDERGROUND								
235010 LAND	29,500.57			0.00	29,500.57	0.00	29,500.57	
235020 RIGHTS OF WAY	63,678.14			0.00	63,678.14	70,451.45	(6,773.31)	
235120 COMPRESSOR STATION STRUCTURES	1,011,754.95	177,445.34		177,445.34	1,189,200.29	639,452.58	549,747.71	
235130 MEASURING AND REGULATING STATION STRUCTURES	10,879.61			0.00	10,879.61	14,189.89	(3,310.28)	
235140 OTHER STRUCTURES	838,080.92	1,488.78		1,488.78	839,569.70	717,157.11	122,412.59	
235220 RESERVOIRS	400,511.40			0.00	400,511.40	437,979.60	(37,468.20)	
235230 NONRECOVERABLE NATURAL GAS	9,648,855.00			0.00	9,648,855.00	6,664,929.29	2,983,925.71	
235240 WELL DRILLING	2,144,695.64	73,204.06		73,204.06	2,217,899.70	2,321,035.98	(103,136.28)	
235250 WELL EQUIPMENT	4,522,199.87	279,992.27		279,992.27	4,802,192.14	2,600,570.34	2,201,621.80	
235300 LINES	9,583,639.56	302,131.40	32,116.18	270,015.22	9,853,654.78	5,519,952.46	4,333,702.32	
235400 COMPRESSOR STATION EQUIPMENT	13,404,078.81	497,559.62		497,559.62	13,901,638.43	6,665,001.31	7,236,637.12	
235500 MEASURING AND REGULATING EQUIPMENT	370,320.90	13,292.02		13,292.02	383,612.92	247,326.68	136,286.24	
235600 PURIFICATION EQUIPMENT	9,314,575.58	465,289.73		465,289.73	9,779,865.31	3,333,194.76	6,446,670.55	
235700 OTHER EQUIPMENT	866,098.63	591.31		591.31	866,689.94	209,706.49	656,983.45	
TOTAL UNDERGROUND STORAGE PLANT	52,208,869.58	1,810,994.53	32,116.18	1,778,878.35	53,987,747.93	29,440,947.94	24,546,799.99	
TOTAL NATURAL GAS STORAGE PLANT	52,208,869.58	1,810,994.53	32,116.18	1,778,878.35	53,987,747.93	29,440,947.94	24,546,799.99	
TRANSMISSION PLANT								
236520 RIGHTS OF WAY	220,659.05			0.00	220,659.05	188,255.60	32,403.45	
236700 MAINS	12,193,974.86	300,010.47		300,010.47	12,493,985.33	10,991,305.20	1,502,680.13	
TOTAL TRANSMISSION PLANT	12,414,633.91	300,010.47	0.00	300,010.47	12,714,644.38	11,179,560.80	1,535,083.58	

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2003

22.8

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE	
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS				ADJUSTMENTS
DISTRIBUTION PLANT								
237411	CITY GATE CHECK STATION LAND	7,586.67		0.00		7,586.67	0.00	7,586.67
237412	OTHER DISTRIBUTION LAND	54,457.06		0.00		54,457.06	0.00	54,457.06
237422	OTHER DISTRIBUTION LAND RIGHTS	74,018.23		0.00		74,018.23	66,224.04	7,794.19
237510	CITY GATE STATION STRUC. & IMPROV.	133,639.45	27,404.15		27,404.15	161,043.60	90,360.51	70,683.09
237520	OTHER DISTRIBUTION STRUC. & IMPROV.	788,487.48			0.00	788,487.48	304,369.68	484,117.80
237600	MAINS	213,002,709.25	21,574,272.98	509,410.00	21,064,862.98	234,067,572.23	76,429,359.65	157,638,212.58
237800	MEASURING AND REGULATING STATION EQUIPMENT-GENERAL	4,590,719.10	2,081,827.05	2,957.31	2,078,869.74	6,669,588.84	1,901,728.16	4,767,860.68
237900	MEASURING AND REGULATING STATION EQUIPMENT-CITY GATE STATIONS	3,031,747.20	651,735.10	83,859.07	567,876.03	3,599,623.23	1,034,144.19	2,565,479.04
238000	SERVICES	103,680,138.69	7,831,526.05	1,485,701.55	6,345,824.50	110,025,963.19	32,194,229.92	77,831,733.27
238100	METERS	19,593,482.24	3,041,038.86	2,654,883.32	386,155.54	19,979,637.78	3,523,697.80	16,455,939.98
238200	METER INSTALLATIONS	7,490,427.94	1,809,689.95	2,644,530.07	(834,840.12)	6,655,587.82	(1,008,160.69)	7,663,748.51
238300	HOUSE REGULATORS	3,145,155.44	801,757.41	231,004.86	570,752.55	3,715,907.99	1,252,875.42	2,463,032.57
238400	HOUSE REGULATOR INSTALLATIONS	1,006,639.43	1,257,667.08	112,144.92	1,145,522.16	2,152,161.59	318,978.45	1,833,183.14
238500	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	142,801.65			0.00	142,801.65	97,205.33	45,596.32
238700	OTHER EQUIPMENT	65,051.59			0.00	65,051.59	20,314.22	44,737.37
	TOTAL DISTRIBUTION PLANT	356,807,061.42	39,076,918.63	7,724,491.10	31,352,427.53	388,159,488.95	116,225,326.68	271,934,162.27
GENERAL PLANT								
239210	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	3,209,727.47	16,997.70	99,968.79	(82,971.09)	3,126,756.38	2,414,591.43	712,164.95
239220	TRANSPORTATION EQUIPMENT - TRAILERS	354,261.36	3,327.87		3,327.87	357,589.23	90,541.45	267,047.78
239400	TOOLS, SHOP, AND GARAGE EQUIPMENT	2,896,361.96	142,374.36		142,374.36	3,038,736.32	891,901.55	2,146,834.77
239500	LABORATORY EQUIPMENT	435,068.27			0.00	435,068.27	225,417.97	209,650.30
239610	POWER OPERATED EQUIP - HOURLY RATED	2,029,908.51	12,824.94	237,390.57	(224,565.63)	1,805,342.88	1,670,905.65	134,437.23
239620	POWER OPERATED EQUIPMENT - OTHER	58,118.72			0.00	58,118.72	33,207.74	24,910.98
	TOTAL GENERAL PLANT	8,983,446.29	175,524.87	337,359.36	(161,834.49)	8,821,611.80	5,326,565.79	3,495,046.01
SUMMARY								
101	TOTAL GAS PLANT IN SERVICE	430,967,243.79	41,363,448.50	8,093,966.64	33,269,481.86	464,236,725.65	162,746,595.13	301,490,130.52
102	GAS PLANT PURCHASED OR SOLD							
103	GAS PLANT IN PROGRESS OF RECLASSIFICATION							
104	GAS PLANT LEASED TO OTHERS							
105	GAS PLANT HELD FOR FUTURE USE							
107	CONSTRUCTION WORK IN PROGRESS - GAS	25,501,848.83	(11,790,912.84)		(11,790,912.84)	13,710,935.99		13,710,935.99
117	GAS STORED UNDERGROUND/NON-CURRENT	1,882,661.68				1,882,661.68		1,882,661.68
	TOTAL GAS PLANT	458,351,754.30	29,572,535.66	8,093,966.64	21,478,569.02	479,830,323.32	162,746,595.13	317,083,728.19

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2003

RESERVE FOR DEPRECIATION - GAS EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE					NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	SALVAGE	COST OF REMOVAL	
GAS						29,440,947.94
UNDERGROUND STORAGE	28,206,572.25	1,266,491.87	32,116.18			
OTHER STORAGE						11,179,560.80
TRANSMISSION	10,966,377.90	213,182.90				116,225,326.68
DISTRIBUTION	113,994,739.63	10,745,111.46	7,724,491.10	1,317.78	791,351.09	1,241,068.71
GENERAL	1,108,235.59	132,833.12				
TOTAL GAS EXCL. TRANSP. & P.O. EQ.	154,275,925.37	12,357,619.35	7,756,607.28	1,317.78	791,351.09	158,086,904.13
TOTAL TRANSPORTATION EQUIPMENT	2,136,820.64	377,739.58	99,968.79			2,414,591.43
TOTAL POWER OPERATED EQUIPMENT	1,786,552.60	121,743.62	237,390.57			1,670,905.65
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - GAS	158,199,298.61	12,857,102.55	8,093,966.64	1,317.78	791,351.09	162,172,401.21
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC.						
GAS						573,393.92
UNDERGROUND STORAGE LAND AND LAND RIGHTS	573,393.92					800.00
OTHER	800.00					
TOTAL RESERVE FOR AMORTIZATION OF PLANT IN SERVICE - GAS	574,193.92					574,193.92
RETIREMENT WORK IN PROGRESS	(43,721.15)			(931.89)	(330,200.26)	(34,256.10)
						(409,109.40)

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
COMMON UTILITY PLANT
AS OF DECEMBER 31, 2003

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
INTANGIBLE PLANT	83,782.29			0.00	83,782.29		83,782.29
330100 ORGANIZATION	4,200.00			0.00	4,200.00	4,700.00	(500.00)
330200 FRANCHISES AND CONSENTS	24,365,948.39	7,941,053.55		7,941,053.55	32,307,001.94	24,053,284.27	8,253,717.67
330300 MISC. INTANGIBLE PLANT-SOFTWARE	78,799.60			0.00	78,799.60	78,799.60	0.00
330320 MISC. INTANGIBLE PLANT-LAW							
TOTAL INTANGIBLE PLANT	24,532,730.28	7,941,053.55	0.00	7,941,053.55	32,473,783.83	24,136,783.87	8,336,999.96
GENERAL PLANT	1,661,503.17	50,000.00		50,000.00	1,711,503.17		1,711,503.17
338910 LAND	202,094.94			0.00	202,094.94	91,643.40	110,451.54
338920 LAND RIGHTS	47,265,376.12	916,062.98	449,588.26	466,474.72	47,731,850.84	15,208,491.19	32,523,359.65
339010 STRUCT. AND IMPROV.-G.O.	1,803,773.44	18,752.40		18,752.40	1,822,525.84	623,020.51	1,199,505.33
339020 STRUCT. AND IMPROV.-TRANS.	10,918,534.46		3,428.37	(3,428.37)	10,915,106.09	6,102,184.26	4,812,921.83
339030 STRUCT. AND IMPROV.-STORES	379,370.51	126,855.39		126,855.39	506,225.90	268,347.06	237,878.84
339040 STRUCT. AND IMPROV.-SHOPS	694,996.39			0.00	694,996.39	90,162.77	604,833.62
339060 STRUCT. AND IMPROV.-MICROWAVE	11,325,484.51	422,663.66		422,663.66	11,748,148.17	4,049,966.76	7,698,181.41
339110 OFFICE FURNITURE	2,824,506.83	148,550.17		148,550.17	2,973,057.00	1,078,269.48	1,894,787.52
339120 OFFICE EQUIPMENT	16,385,046.53	6,822,072.39		6,822,072.39	23,207,118.92	14,324,099.76	8,883,019.16
339130 COMPUTER EQUIPMENT	9,794,521.46	809,755.86	4,961,383.85	(4,151,627.99)	5,642,893.47	4,673,094.38	969,799.09
339131 PERSONAL COMPUTERS	1,918,593.63	266,367.18		266,367.18	2,184,960.81	629,803.12	1,555,157.69
339140 SECURITY EQUIPMENT							(274,668.53)
339210 TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	223,351.84		33,832.13	(33,832.13)	189,519.71	464,188.24	39,522.31
339220 TRANSP. EQUIPMENT - TRAILERS	66,516.63		3,112.35	(3,112.35)	63,404.28	23,881.97	893,828.70
339300 STORES EQUIPMENT	1,229,701.73	827,364.39		827,364.39	1,229,701.73	335,873.03	2,262,523.16
339400 TOOLS, SHOP, AND GARAGE EQUIP.	1,928,936.72			0.00	2,756,301.11	493,777.95	15,434.81
339500 LABORATORY EQUIPMENT	22,281.50		3,133.12	(3,133.12)	22,281.50	6,846.69	0.00
339610 POWER OPERATED EQUIP. - TRMS	261,447.33			0.00	258,314.21	258,314.21	8,203.26
339620 POWER OPERATED EQUIP. - OTHER	14,147.08			0.00	14,147.08	5,943.82	23,667,058.34
339700 COMMUNICATION EQUIPMENT	29,148,611.93	3,691,870.25		3,691,870.25	32,840,482.18	9,173,423.84	2,608,659.53
339710 COMMUNICATION EQUIP.-COMPUTER	5,189,546.51	386,469.16		386,469.16	5,576,015.67	2,967,356.14	844,392.25
339800 MISCELLANEOUS EQUIPMENT	1,012,231.71	5,995.11		5,995.11	1,018,226.82	173,834.57	
TOTAL GENERAL PLANT	144,270,574.97	14,492,778.94	5,454,478.08	9,038,300.86	153,308,875.83	61,042,523.15	92,266,352.68
SUMMARY					185,782,659.66	85,179,307.02	100,603,352.64
101 TOTAL COMMON UTILITY PLANT IN SERVICE	168,803,305.25	22,433,832.49	5,454,478.08	16,979,354.41			
102 COMMON UTILITY PLANT PURCH. OR SOLD							
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION							
104 COMMON UTILITY PLANT LEASED TO OTHER							
105 COMMON UTILITY PLANT HELD FOR FUTURE USE					12,984,750.08		12,984,750.08
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY	13,723,766.35	(739,016.27)	5,454,478.08	(739,016.27)	198,767,409.74	85,179,307.02	113,588,102.72
TOTAL COMMON UTILITY PLANT	182,527,071.60	21,694,816.22	5,454,478.08	16,240,338.14			

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
AS OF DECEMBER 31, 2003

RESERVE FOR DEPRECIATION - COMMON EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE					NET BALANCE THIS DATE	
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	SALVAGE	COST OF REMOVAL		OTHER CREDITS
COMMON UTILITY GENERAL EXCL. TRANSP. & P. O.	54,383,624.03	11,546,601.38	5,417,512.83	0.00	192,691.88	60,320,020.70	
TOTAL TRANSPORTATION EQUIPMENT	495,338.29	2,682.08	33,832.13			464,188.24	
TOTAL POWER OPERATED EQUIPMENT	261,447.33	0.00	3,133.12			258,314.21	
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - COMMON	55,140,409.65	11,549,283.46	5,454,478.08	0.00	192,691.88	61,042,523.15	
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC. COMMON UTILITY	18,101,954.13	6,034,829.74				24,136,783.87	
RETIREMENT WORK IN PROGRESS	(379,491.56)			(104,849.30)	468,103.21	(43,186.20)	(59,423.85)

LOUISVILLE GAS AND ELECTRIC - INDIANA
ELECTRIC PLANT
AS OF DECEMBER 31, 2003

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
TRANSMISSION PLANT							
135020 LAND	143,707.75						143,707.75
135010 LAND RIGHTS	465,100.04					195,504.96	269,595.08
135210 SUBSTATION STRUCTURES	338,701.07					179,955.56	158,745.51
135310 SUBSTATION EQUIPMENT	10,529,351.96	23,441.61	4,043.43	19,398.18	10,548,750.14	5,831,293.77	4,717,456.37
135400 TOWERS AND FIXTURES	6,101,677.25				6,101,677.25	3,776,326.97	2,325,350.28
135500 POLES AND FIXTURES	1,301,392.50				1,301,392.50	689,133.60	612,258.90
135600 OVERHEAD CONDUCTORS AND DEVICES	3,320,899.30				3,320,899.30	2,236,771.96	1,084,127.34
TOTAL TRANSMISSION PLANT	<u>22,200,829.87</u>	<u>23,441.61</u>	<u>4,043.43</u>	<u>19,398.18</u>	<u>22,220,228.05</u>	<u>12,908,986.82</u>	<u>9,311,241.23</u>
SUMMARY							
101 TOTAL ELECTRIC PLANT IN SERVICE	22,200,829.87	23,441.61	4,043.43	19,398.18	22,220,228.05	12,908,986.82	9,311,241.23
102 ELECTRIC PLANT PURCHASED OR SOLD							
103 ELECTRIC PLANT IN PROCESS OF RECLASSIFICATION							
104 ELECTRIC PLANT LEASED TO OTHERS							
105 ELECTRIC PLANT HELD FOR FUTURE USE					461,220.45		461,220.45
107 CONSTRUCTION WORK IN PROGRESS-ELEC.	13,856.32	447,364.13		447,364.13			
108 ACCUMULATED RESERVE							
TOTAL ELECTRIC PLANT	<u>22,214,686.19</u>	<u>470,805.74</u>	<u>4,043.43</u>	<u>466,762.31</u>	<u>22,681,448.50</u>	<u>12,908,986.82</u>	<u>9,772,461.68</u>

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
 AS OF DECEMBER 31, 2003

22.13

RESERVE FOR DEPRECIATION - ELECTRIC

YEAR TO DATE

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	SALVAGE	COST OF REMOVAL	OTHER CREDITS	NET BALANCE THIS DATE
ELECTRIC						
STEAM PRODUCTION						
HYDRAULIC PRODUCTION - PROJECT 289						
HYDRAULIC PRODUCTION - NON-PROJECT						
OTHER PRODUCTION						
TRANSMISSION - PROJECT 289						
TRANSMISSION - NON-PROJECT	12,398,915.66	516,452.41	4,043.43	0.00	2,337.82	0.00
DISTRIBUTION						
GENERAL						
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	12,398,915.66	516,452.41	4,043.43	0.00	2,337.82	0.00

LOUISVILLE GAS AND ELECTRIC - INDIANA
GAS PLANT
AS OF DECEMBER 31, 2003

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
NATURAL GAS STORAGE PLANT								
UNDERGROUND								
235010 LAND	3,363.50					3,363.50	0.00	3,363.50
235140 OTHER STRUCTURES	310,632.78					310,632.78	32,650.81	277,981.97
235240 WELL DRILLING	404,959.32	38.59		38.59		404,997.91	257,906.74	147,091.17
235250 WELL EQUIPMENT	515,790.61					515,790.61	294,334.77	221,455.84
235300 LINES	797,476.76					797,476.76	529,930.52	267,546.24
235700 OTHER EQUIPMENT	95,181.12					95,181.12	8,700.18	86,480.94
TOTAL UNDERGROUND STORAGE PLANT	2,127,404.09	38.59	0.00	38.59	0.00	2,127,442.68	1,123,523.02	1,003,919.66
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SUMMARY								
101 TOTAL GAS PLANT IN SERVICE	2,127,404.09	38.59	0.00	38.59	0.00	2,127,442.68	1,123,523.02	1,003,919.66
102 GAS PLANT PURCHASED OR SOLD								
103 GAS PLANT IN PROGRESS OF RECLASSIFICATION								
104 GAS PLANT LEASED TO OTHERS								
105 GAS PLANT HELD FOR FUTURE USE								
107 CONSTRUCTION WORK IN PROGRESS - GAS						257,328.32		257,328.32
117 GAS STORED UNDERGROUND/NON-CURRENT	257,328.32							
TOTAL GAS PLANT	2,384,732.41	38.59	0.00	38.59	0.00	2,384,771.00	1,123,523.02	1,261,247.98

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2003

22.15

RESERVE FOR DEPRECIATION - GAS

YEAR TO DATE

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	SALVAGE	COST OF REMOVAL	OTHER CREDITS	NET BALANCE THIS DATE
GAS UNDERGROUND STORAGE OTHER STORAGE TRANSMISSION DISTRIBUTION GENERAL	1,076,936.47	46,586.55					1,123,523.02
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - GAS	1,076,936.47	46,586.55					1,123,523.02

LOUISVILLE GAS AND ELECTRIC - INDIANA
COMMON PLANT
AS OF DECEMBER 31, 2003

22.16

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
GENERAL PLANT							
339700 COMMUNICATION EQUIPMENT	773,554.64				773,554.64	178,263.19	595,291.45
TOTAL GENERAL PLANT	<u>773,554.64</u>				<u>773,554.64</u>	<u>178,263.19</u>	<u>595,291.45</u>
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SUMMARY							
101 TOTAL COMMON UTILITY PLANT IN SERVICE	773,554.64				773,554.64	178,263.19	595,291.45
102 COMMON UTILITY PLANT PURCH. OR SOLD							
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION							
104 COMMON UTILITY PLANT LEASED TO OTHER							
105 COMMON UTILITY PLANT HELD FOR FUTURE USE							
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY							
TOTAL COMMON UTILITY PLANT	<u>773,554.64</u>				<u>773,554.64</u>	<u>178,263.19</u>	<u>595,291.45</u>

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
 AS OF DECEMBER 31, 2003

22.17

RESERVE FOR DEPRECIATION - COMMON

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

COMMON
 STEAM PRODUCTION
 HYDRAULIC PRODUCTION - PROJECT 289
 HYDRAULIC PRODUCTION - NON-PROJECT
 OTHER PRODUCTION
 TRANSMISSION - PROJECT 289
 TRANSMISSION - NON-PROJECT
 DISTRIBUTION
 GENERAL

TOTAL RESERVE FOR DEPRECIATION
 OF PLANT IN SERVICE - ELECTRIC

	YEAR TO DATE					NET BALANCE THIS DATE	
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	SALVAGE	COST OF REMOVAL		OTHER CREDITS
	149,332.27	28,930.92				0.00	178,263.19
	149,332.27	28,930.92				0.00	178,263.19

Louisville Gas and Electric Company

Reserve and Accumulated Depreciation Schedules

2004

Louisville Gas and Electric Company
Summary of Utility Plant
December 31, 2004

	NET BALANCE FIRST OF YEAR	ADDITIONS	RETIREMENTS	TRANSFERS/ ADJUSTMENTS	NET ADDITIONS	BALANCE TO DATE
UTILITY PLANT IN SERVICE						
Electric						2,340.29
Intangible.....	2,340.29	-	-	-	-	2,340.29
Steam Production.....	1,716,220,649.31	206,618,831.34	(9,679,359.01)	-	196,939,472.33	1,913,160,121.64
Hydro.....	9,802,251.74	7,656,475.56	(15,066.29)	-	7,641,409.27	17,443,661.01
Other Production.....	153,207,586.09	76,675,788.00	(146,762.17)	(2,131,403.82)	74,397,622.01	227,605,208.10
Transmission.....	222,285,987.94	3,898,278.98	(263,586.85)	(47,630.92)	3,587,061.21	225,873,049.15
Distribution.....	690,885,561.99	22,577,759.37	(553,515.94)	-	22,024,243.43	712,909,805.42
General.....	17,552,271.62	41,150.94	(934,364.53)	-	(893,213.59)	16,659,058.03
Total Electric.....	2,809,956,648.98	317,468,284.19	(11,592,654.79)	(2,179,034.74)	303,696,594.66	3,113,653,243.64
Gas						613,106.77
Intangible.....	616,910.73	-	(3,803.96)	-	(3,803.96)	613,106.77
Natural Gas Storage Plant Underground.....	56,051,512.47	2,208,053.22	(181,086.86)	-	2,026,966.36	58,078,478.83
Transmission.....	12,714,644.38	7,671.74	(7,950.19)	-	(278.45)	12,714,365.93
Distribution.....	388,159,488.95	17,398,800.27	(606,361.29)	-	16,792,438.98	404,951,927.93
General.....	8,821,611.80	719,571.91	(267,825.87)	-	451,746.04	9,273,357.84
Gas Stored Underground Non-Current.....	2,139,990.00	-	-	-	-	2,139,990.00
Total Gas.....	468,504,158.33	20,334,097.14	(1,067,028.17)	-	19,267,068.97	487,771,227.30
Common						22,938,636.41
Intangible.....	32,473,783.83	8,123,788.76	(17,658,936.18)	-	(9,535,147.42)	22,938,636.41
General.....	154,082,430.47	4,704,451.86	(4,187,993.29)	-	516,458.57	154,598,889.04
Total Common.....	186,556,214.30	12,828,240.62	(21,846,929.47)	-	(9,018,688.85)	177,537,525.45
Total Plant In Service.....	3,465,017,021.61	350,630,621.95	(34,506,612.43)	(2,179,034.74)	313,944,974.78	3,778,961,996.39
Construction Work In Progress						96,469,851.97
Electric.....	312,470,727.44	(216,000,875.47)	-	-	(216,000,875.47)	96,469,851.97
Gas.....	13,710,935.99	10,618,828.92	-	-	10,618,828.92	24,329,764.91
Common.....	12,984,750.08	3,057,587.27	-	-	3,057,587.27	16,042,337.35
Total Construction Work In Progress.....	339,166,413.51	(202,324,459.28)	-	-	(202,324,459.28)	136,841,954.23
Total Utility Plant at Original Cost.....	3,804,183,435.12	148,306,162.67	(34,506,612.43)	(2,179,034.74)	111,620,515.50	3,915,803,950.62

LOUISVILLE GAS & ELECTRIC COMPANY
RECONCILIATION OF REGULATORY RESERVE FOR DEPRECIATION
TO SEC RESERVE FOR DEPRECIATION
AS OF DECEMBER 31, 2004

	REGULATORY RESERVE AS OF 12/31/2004	SEGMENTED COR AS OF 12/31/2003	YTD 2004 SEGMENTED COR PER FERC ORDER 631	TOTAL SEGMENTED COR PER FERC ORDER 631	SEC RESERVE AS OF 12/31/2004	GL Trial Balance	Variance
Steam Production.....	(876,583,538.51)	(45,664,247.31)	(5,176,079.55)	(50,840,326.86)	(825,743,211.65)		
Steam Production - Asset Retirement Obligation..	(1,245,239.75)	-	-	-	(1,245,239.75)	(1,245,239.75)	-
Hydro Production.....	(9,693,285.94)	(773,045.00)	-	(773,045.00)	(8,920,240.94)		
Other Production.....	(31,718,602.59)	(1,013,993.96)	(1.28)	(1,013,995.24)	(30,704,607.35)		
Transmission.....	(123,718,860.41)	(14,909,150.79)	(973,717.79)	(15,882,868.58)	(107,835,991.83)		
Transmission - Asset Retirement Obligation.....	(1,311.39)	-	-	-	(1,311.39)	(1,311.39)	-
Distribution.....	(320,068,997.80)	(119,104,669.05)	(5,917,345.21)	(125,022,014.26)	(195,046,983.54)		
General.....	(1,956,154.67)	-	-	-	(1,956,154.67)		
Transportation.....	(8,312,121.45)	-	-	-	(8,312,121.45)		
Power Operated Equipment.....	(2,156,341.63)	-	-	-	(2,156,341.63)		
Total Electric Plant	(1,375,454,454.14)	(181,465,106.11)	(12,067,143.83)	(193,532,249.94)	(1,181,922,204.20)		
Gas Plant.....	(171,034,456.89)	(40,778,256.19)	(4,174,726.43)	(44,952,982.62)	(126,081,474.27)		
Gas Transportation.....	(2,650,510.14)	-	-	-	(2,650,510.14)		
Gas Power Operated Equipment.....	(1,869,736.18)	-	-	-	(1,869,736.18)		
Total Gas Plant	(175,554,703.21)	(40,778,256.19)	(4,174,726.43)	(44,952,982.62)	(130,601,720.59)		
Common Plant.....	(65,446,233.24)	(921,505.06)	(76,586.54)	(998,091.60)	(64,448,141.64)		
Common Transportation.....	(408,988.01)	-	-	-	(408,988.01)		
Common Operated Equipment.....	(258,314.21)	-	-	-	(258,314.21)		
Total Common Plant	(66,113,535.46)	(921,505.06)	(76,586.54)	(998,091.60)	(65,115,443.86)		
Total Reserve For Depreciation Of Utility Plant In Service.....	(1,617,122,692.81)	(223,164,867.36)	(16,318,456.80)	(239,483,324.16)	(1,377,639,368.65)	(1,374,939,954.52)	-
Electric Intangibles.....	(100.00)	-	-	-	(100.00)		
Gas Intangibles.....	(641,381.30)	-	-	-	(641,381.30)		
Common Intangibles.....	(10,584,238.28)	-	-	-	(10,584,238.28)		
Total Amortization Utility Plant In Service	(11,225,719.58)	-	-	-	(11,225,719.58)	(11,225,719.58)	-
Retirement of Work in Progress.....							
108001.....	1,452,862.99				1,452,862.99		
108901.....	10,340,629.30				10,340,629.30	10,340,629.30	-
Total Reserve For Depreciation and Amortization Utility Plant In Service.....	(1,616,554,920.10)	-	-	-	(1,377,071,595.94)	(1,377,071,595.94)	-
Utility Plant at Original Cost Less Reserve For Depreciation and Amortization.....	2,299,249,030.52				2,538,732,354.68		

LOUISVILLE GAS & ELECTRIC COMPANY
RECONCILIATION OF SUMMARY OF UTILITY PLANT REPORT TO INCOME STATEMENT DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2004

	YTD ACCRUAL RESERVE FOR DEPRECIATION AND AMORTIZATION	YTD ACCRUAL TO ACCOUNT 254	YTD LOCOMOTIVES ACCOUNT 151040	YTD RAILCARS ACCOUNT 151060	YTD GAS PIPELINE ACCOUNT 151061	YTD TRANSPORTATION/POE ACCOUNT 184315	YTD INCOME STATEMENT ACCRUAL & AMORTIZATION	GL Trial Balance	Variance
Steam Production.....	(54,902,741.02)	51,458.05	13,188.60	112,060.68			(54,828,949.79)		
Steam Production - Asset Retirement Obligation.....	(198,889.49)						(198,889.49)		
Hydro Production.....	(386,418.43)						(386,418.43)		
Other Production.....	(6,262,104.27)						(6,199,158.15)		
Transmission.....	(5,287,606.42)				62,946.12		(5,287,606.42)		
Transmission - Asset Retirement Obligation.....	(135.98)						(135.98)		
Distribution.....	(23,039,402.88)						(23,039,402.88)		
General.....	(151,639.96)						(151,639.96)		
Transportation.....	(163,547.39)					163,547.39	.		
Power Operated Equipment.....	(113,277.75)					113,277.75	.		
Total Electric Plant.....	(90,505,763.59)	51,458.05	13,188.60	112,060.68	62,946.12	276,825.14	(90,092,201.10)		
Gas Plant.....	(13,199,701.60)						(13,199,701.60)		
Gas Transportation.....	(302,823.41)					302,823.41	0.00		
Gas Power Operated Equipment.....	(249,268.81)					249,268.81	0.00		
Total Gas Plant.....	(13,751,793.82)	0.00	0.00	0.00	0.00	552,092.22	(13,199,701.60)		
Common Plant.....	(9,377,078.13)						(9,377,078.13)		
Common Transportation.....	(1,650.48)					1,650.48	0.00		
Common Operated Equipment.....	0.00						0.00		
Total Common Plant.....	(9,378,728.61)	0.00	0.00	0.00	0.00	1,650.48	(9,377,078.13)		
Total Accrual of Utility Plant In Service.....	(113,636,286.02)						(112,668,980.83)	112,668,980.83	0.00
Total Amortization of Utility Plant In Service.....	(4,106,390.59)						(4,106,390.59)	4,106,390.59	0.00
Total Accrual and Amortization of Utility Plant In Service.....	(117,742,676.61)						(116,775,371.42)	116,775,371.42	0.00

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2004

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
INTANGIBLE PLANT							2,240.29
130100 ORGANIZATION - PROJECT 289	2,240.29				2,240.29		0.00
130200 FRANCHISES AND CONSENTS	100.00				100.00	(100.00)	0.00
TOTAL INTANGIBLE PLANT	2,340.29				2,340.29	(100.00)	2,240.29
PRODUCTION PLANT							6,203,853.30
STEAM PLANT							146,107,942.15
131020 LAND	6,203,853.30				6,203,853.30		6,203,853.30
131100 STRUCTURES AND IMPROVEMENTS	324,706,912.15	2,321,234.14	(629,198.89)	1,692,035.25	326,398,947.40	(180,291,005.25)	715,862,477.21
131200 BOILER PLANT EQUIPMENT	1,012,213,753.39	199,822,603.95	(6,901,489.20)	192,921,114.75	1,205,134,868.14	(489,272,390.93)	86,142,763.43
131400 TURBOGENERATOR UNITS	193,835,670.03	3,506,224.30	(1,160,156.82)	2,346,067.48	196,181,737.51	(110,038,974.08)	70,365,139.67
131500 ACCESSORY ELECTRIC EQUIPMENT	164,150,395.96	129,846.03	(829,101.35)	(699,255.32)	163,451,140.64	(93,086,000.97)	7,313,397.37
131600 MISCELLANEOUS POWER PLANT EQUIPMENT	10,529,054.48	838,922.92	(159,412.75)	679,510.17	11,208,564.65	(3,895,167.28)	3,335,770.25
131700 ASSET RETIREMENT OBLIGATIONS STEAM PLANT	4,581,010.00				4,581,010.00	(1,245,239.75)	0.00
TOTAL STEAM PRODUCTION PLANT	1,716,220,649.31	206,618,831.34	(9,679,359.01)	196,939,472.33	1,913,160,121.64	(877,828,778.26)	1,035,331,343.38
HYDRAULIC PLANT							7.00
PROJECT 289							(467,866.65)
133020 LAND	7.00				7.00		4,719,619.38
133100 STRUCTURES AND IMPROVEMENTS	4,995,148.82	4,686,423.05	(12,512.16)	4,673,910.89	4,995,148.82	(5,463,015.47)	4,719,619.38
133200 RESERVOIRS, DAMS AND WATERWAYS	303,530.35				4,977,441.24	(257,821.86)	(194,422.95)
133300 WATERWHEELS, TURBINES AND GENERATORS	2,500,750.50				2,500,750.50	(2,695,173.45)	3,607,344.46
133400 ACCESSORY ELECTRIC EQUIPMENT	1,597,757.33	2,945,939.04		2,945,939.04	4,543,696.37	(936,351.91)	81,503.33
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	151,460.96	24,113.47	(2,554.13)	21,559.34	173,020.30	(91,516.97)	(34,855.19)
133600 ROADS, RAILROADS AND BRIDGES	178,846.99				178,846.99	(213,702.18)	0.00
TOTAL HYDRAULIC PLANT-PROJECT 289	9,727,501.95	7,656,475.56	(15,066.29)	7,641,409.27	17,368,911.22	(9,657,581.84)	7,711,329.38
OTHER THAN PROJECT 289							6.00
133020 LAND	6.00				6.00		32,674.31
133100 STRUCTURES AND IMPROVEMENTS	65,796.14				65,796.14	(33,121.83)	6,022.19
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	7,813.67				7,813.67	(1,791.48)	343.19
133600 ROADS, RAILROADS AND BRIDGES	1,133.98				1,133.98	(790.79)	0.00
TOTAL HYDRAULIC PLANT - OTHER THAN PROJECT 289	74,749.79				74,749.79	(35,704.10)	39,045.69
TOTAL HYDRAULIC PRODUCTION PLANT	9,802,251.74	7,656,475.56	(15,066.29)	7,641,409.27	17,443,661.01	(9,693,285.94)	7,750,375.07

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2004

22.4

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
PRODUCTION PLANT							
OTHER PRODUCTION PLANT							
134020 LAND	41,125.94				41,125.94		41,125.94
134100 STRUCTURES AND IMPROVEMENTS	6,723,515.34	8,450,837.70	(9,265.48)	8,441,572.22	15,165,087.56	(1,297,192.93)	13,867,894.63
134200 FUEL HOLDERS, PRODUCERS AND ACCESS.	5,829,387.45	1,370,491.24	(4,465.09)	1,366,026.15	7,195,413.60	(832,512.61)	6,362,900.99
134300 PRIME MOVERS	101,353,558.13	52,454,744.26	(133,031.60)	52,321,712.66	151,543,866.97	(17,119,829.32)	134,424,037.65
134400 GENERATORS	26,258,224.54	6,917,214.65		6,917,214.65	33,175,439.19	(10,383,701.22)	22,791,737.97
134500 ACCESSORY ELECTRIC EQUIPMENT	9,299,652.88	7,461,468.32		7,461,468.32	16,761,121.20	(1,615,625.45)	15,145,495.75
134600 MISC. POWER PLANT EQUIPMENT	3,702,121.81	21,031.83		21,031.83	3,723,153.64	(469,741.06)	3,253,412.58
TOTAL OTHER PRODUCTION PLANT	153,207,586.09	76,675,788.00	(146,762.17)	76,529,025.83	227,605,208.10	(31,718,602.59)	195,886,605.51
TOTAL PRODUCTION PLANT	1,879,230,487.14	290,951,094.90	(9,841,187.47)	281,109,907.43	2,158,208,990.75	(919,240,666.79)	1,238,968,323.96
TRANSMISSION PLANT							
PROJECT 289							
135310 STATION EQUIP.-NON SYS CONTROL/COMM.	1,108,850.33				1,108,850.33	(347,331.56)	761,518.77
135600 OVERHEAD CONDUCTORS AND DEVICES	16,389.51				16,389.51	(14,000.58)	2,388.93
TOTAL TRANSMISSION PLANT-PROJECT 289	1,125,239.84				1,125,239.84	(361,332.14)	763,907.70
OTHER THAN PROJECT 289							
135020 LAND	744,530.03				744,530.03		744,530.03
135010 LAND RIGHTS	2,127,673.77				2,127,673.77	(897,513.21)	1,230,160.56
135210 STRUCT & IMPROVE-NON SYS CONT./COMM.	2,875,197.77	91,287.01		91,287.01	2,966,484.78	(1,491,970.02)	1,474,514.76
135310 STATION EQUIP.-NON SYS CONTROL/COMM.	111,713,042.64	3,535,685.15	(263,024.29)	3,272,660.86	114,938,268.50	(63,966,914.48)	50,971,354.02
135400 TOWERS AND FIXTURES	17,778,030.33	48,122.49		48,122.49	17,826,152.82	(15,212,719.12)	2,613,433.70
135500 POLES AND FIXTURES	25,781,070.28	170,196.78	(562.56)	169,634.22	25,950,528.53	(11,246,998.93)	14,703,529.60
135600 OVERHEAD CONDUCTORS AND DEVICES	30,721,946.20	50,012.79		50,012.79	30,771,939.04	(15,420,909.89)	15,351,029.15
135700 UNDERGROUND CONDUIT	1,880,752.49				1,880,752.49	(370,993.00)	1,509,759.49
135800 UNDERGROUND CONDUCTORS & DEVICES	5,314,276.54				5,314,276.54	(1,324,498.69)	3,989,777.85
135910 ASSET RETIRE. OBLIGATIONS TRANS. PLANT	4,000.00				4,000.00	(1,311.39)	2,688.61
TOTAL TRANSMISSION PLANT - OTHER THAN PROJECT 289	198,940,520.05	3,895,304.22	(263,586.85)	4,158,891.07	202,524,606.50	(109,933,828.73)	92,590,777.77
TOTAL TRANSMISSION PLANT	200,065,759.89	3,895,304.22	(263,586.85)	4,158,891.07	203,649,846.34	(110,295,160.87)	93,354,685.47

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2004

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	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE	
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS				
DISTRIBUTION PLANT									
136020	LAND	1,984,544.32				1,984,544.32		1,984,544.32	
136100	STRUCTURES AND IMPROVEMENTS	6,075,188.47				6,075,188.47	(4,539,598.38)	1,535,590.09	
136200	STATION EQUIPMENT	78,456,548.55	704,210.87	(261,150.59)	443,060.28	78,899,608.83	(42,504,279.39)	36,395,329.44	
136400	POLES, TOWERS AND FIXTURES	96,084,957.94	2,309,069.40	(32,131.99)	2,276,937.41	98,361,895.35	(50,571,334.12)	47,790,561.23	
136500	OVERHEAD CONDUCTORS AND DEVICES	155,240,047.97	6,093,721.66	(37,393.03)	6,056,328.63	161,296,376.60	(68,623,052.82)	92,673,323.78	
136600	UNDERGROUND CONDUIT	56,443,982.84	3,578,074.07	(1,531.51)	3,576,542.56	60,020,525.40	(20,663,953.90)	39,356,571.50	
136700	UNDERGROUND CONDUCTORS & DEVICES	82,912,398.52	3,369,197.64	(17,851.95)	3,351,345.69	86,263,744.21	(33,968,885.15)	52,294,859.06	
136810	LINE TRANSFORMERS	87,780,796.91	3,156,253.65		3,156,253.65	90,937,050.56	(42,923,797.72)	48,013,252.84	
136820	LINE TRANSFORMER INSTALLATIONS	9,015,901.10	397,187.88		397,187.88	9,413,088.98	(3,512,370.30)	5,900,718.68	
136910	UNDERGROUND SERVICES	3,495,746.87	29,090.43		29,090.43	3,524,837.30	(1,420,040.95)	2,104,796.35	
136920	OVERHEAD SERVICES	21,039,218.33				21,039,218.33	(13,146,711.88)	7,892,506.45	
137010	METERS	25,257,130.28	454,939.95		454,939.95	25,712,070.23	(11,145,568.31)	14,566,501.92	
137020	METER INSTALLATIONS	8,507,753.36	108,062.03		108,062.03	8,615,815.39	(3,219,907.45)	5,395,907.94	
137310	OVERHEAD STREET LIGHTING	22,959,601.65	260,527.59	(31,777.43)	228,750.16	23,188,351.81	(11,813,516.71)	11,374,835.10	
137320	UNDERGROUND STREET LIGHTING	34,847,426.79	2,117,424.20	(171,679.44)	1,945,744.76	36,793,171.55	(11,926,630.10)	24,866,541.45	
137340	STREET LIGHTING TRANSFORMERS	87,546.43				87,546.43	(89,350.62)	(1,804.19)	
	TOTAL DISTRIBUTION PLANT	690,188,790.33	22,577,759.37	(553,515.94)	23,131,275.31	712,213,033.76	(320,068,997.80)	392,144,035.96	
GENERAL PLANT									
139210	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	10,012,171.40	21,968.98	(919,185.94)	(897,216.96)	9,114,954.44	(8,312,121.45)	802,832.99	
139220	TRANSPORTATION EQUIPMENT - TRAILERS	590,217.25			0.00	590,217.25	(208,956.47)	381,260.78	
139400	TOOLS, SHOP, AND GARAGE EQUIPEMNT	3,050,981.07	19,181.96		19,181.96	3,070,163.03	(876,934.16)	2,193,228.87	
139500	LABORATORY EQUIPMENT	1,548,796.71		(15,178.59)	(15,178.59)	1,533,618.12	(757,389.22)	776,228.90	
139610	POWER OPERATED EQUIP. - HOURLY RATED	2,204,638.36				2,204,638.36	(2,156,341.63)	48,296.73	
139620	POWER OPERATED EQUIPMENT - OTHER	145,466.83				145,466.83	(112,874.82)	32,592.01	
	TOTAL GENERAL PLANT	17,552,271.62	41,150.94	(934,364.53)	975,515.47	16,659,058.03	(12,424,617.75)	4,234,440.28	
SUMMARY									
101	TOTAL ELECTRIC PLANT IN SERVICE	2,787,039,649.27	317,465,309.43	(11,592,654.79)	309,375,589.28	(2,179,034.74)	3,090,733,269.17	(1,362,029,543.21)	1,728,703,725.96
102	ELECTRIC PLANT PURCHASED OR SOLD								
103	ELECTRIC PLANT IN PROCESS OF RECLASSIFICATION								
104	ELECTRIC PLANT LEASED TO OTHERS								
105	ELECTRIC PLANT HELD FOR FUTURE USE	696,771.66				696,771.66		696,771.66	
107	CONSTRUCTION WORK IN PROGRESS-ELEC.	312,009,506.99	(215,631,235.86)		(215,631,235.86)	96,378,271.13		96,378,271.13	
	TOTAL ELECTRIC PLANT	3,099,745,927.92	101,834,073.57	(11,592,654.79)	113,426,728.36	(2,179,034.74)	3,187,808,311.96	(1,362,029,543.21)	1,825,778,768.75

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 PLANT HELD FOR FUTURE USE
 AS OF DECEMBER 31, 2004

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	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
ELECTRIC							
DISTRIBUTION							
136025 SUBSTATION LAND - CLASS A	685,389.54				685,389.54		685,389.54
136200 SUBSTATION EQUIPMENT-CLASS A	11,382.12				11,382.12		11,382.12
TOTAL DISTRIBUTION PLANT	696,771.66				696,771.66		696,771.66
TOTAL ELECTRIC PLANT HELD FOR FUTURE USE	696,771.66				696,771.66		696,771.66

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
NONUTILITY PROPERTY
AS OF DECEMBER 31, 2004

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
COAL MINE							4,184.17
LAND	4,184.17						4,184.17
MINERAL RIGHTS	63,110.43						63,110.43
RIGHTS OF WAY	249.93						249.93
TOTAL COAL MINE	67,544.53						67,544.53
OTHER NONUTILITY PROPERTY							13,153.30
MISCELLANEOUS LAND	13,153.30						13,153.30
TOTAL NONUTILITY PROPERTY	80,697.83						80,697.83
<hr/>							
RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY					(63,360.36)		
COAL MINE	(63,360.36)						
TOTAL RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY	(63,360.36)				(63,360.36)		
TOTAL NONUTILITY PROPERTY LESS RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION	17,337.47				17,337.47		

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
AS OF DECEMBER 31, 2004

22.8

RESERVE FOR DEPRECIATION - ELECTRIC

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE							NET BALANCE THIS DATE	
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL		OTHER CREDITS
ELECTRIC									
STEAM PRODUCTION	(833,956,503.30)	(54,902,741.02)	9,679,359.01	(64,079.26)			2,660,426.06	(876,583,538.51)	
STEAM PRODUCTION-ARO	(1,050,325.58)	(198,889.49)	0.00	3,975.32				(1,245,239.75)	
HYDRAULIC PRODUCTION - PROJECT 289	(9,289,297.88)	(385,102.99)	15,066.29				1,752.74	(9,657,581.84)	
HYDRAULIC PRODUCTION - NON-PROJECT	(34,388.66)	(1,315.44)	0.00					(35,704.10)	
OTHER PRODUCTION	(24,339,835.53)	(6,262,104.27)	146,762.17				(1,263,424.94)	(31,718,602.59)	
TRANSMISSION - PROJECT 289	(336,014.30)	(25,317.84)	0.00					(361,332.14)	
TRANSMISSION - NON-PROJECT	(105,526,460.07)	(4,746,264.47)	263,586.85	30,980.24			45,640.11	(109,932,517.34)	
TRANSMISSION - ARO	(1,175.41)	(135.98)	0.00					(1,311.39)	
DISTRIBUTION	(298,849,443.46)	(23,039,402.88)	553,515.94			(452.70)	1,266,785.30	(320,068,997.80)	
GENERAL	(1,819,693.30)	(151,639.96)	15,178.59					(1,956,154.67)	
TOTAL ELECTRIC EXCL. TRANSP. & P.O. EQ.	(1,275,203,137.51)	(89,712,914.34)	10,673,468.85	(29,123.70)		(452.70)	2,711,179.27	(1,351,560,980.13)	
TOTAL TRANSPORTATION EQUIPMENT	(9,078,440.29)	(163,547.39)	919,185.94			7,269.47	3,410.82	(8,312,121.45)	
TOTAL POWER OPERATED EQUIPMENT	(2,043,063.88)	(113,277.75)	0.00					(2,156,341.63)	
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	(1,286,324,641.68)	(89,989,739.48)	11,592,654.79	(29,123.70)		6,816.77	2,714,590.09	(1,362,029,443.21)	
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC. ELECTRIC	(100.00)							(100.00)	
RETIREMENT WORK IN PROGRESS: PRODUCTION TRANSMISSION DISTRIBUTION									
108001 RWIP	3,804,005.70				(2,721,406.86)	(5,251.38)	1,240,095.18	(208,506.22)	2,108,936.42
108901 RWIP	798,698.44					(186,003.73)	10,655,186.62	(2,239,845.05)	9,028,036.28
TOTAL RETIREMENT WORK IN PROGRESS	4,602,704.14	0.00	0.00	0.00	(2,721,406.86)	(191,255.11)	11,895,281.80	(2,448,351.27)	11,136,972.70

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2004

22.9

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
INTANGIBLE PLANT							
230100 ORGANIZATION							
230200 FRANCHISES AND CONSENTS	1,187.49				1,187.49	(800.00)	387.49
235210 STORAGE LEASEHOLDS AND RIGHTS	552,045.10		(3,803.96)	(3,803.96)	548,241.14	(569,229.85)	(20,988.71)
235020 RIGHTS OF WAY	63,678.14				63,678.14	(71,351.45)	(7,673.31)
TOTAL INTANGIBLE PLANT	616,910.73		(3,803.96)	(3,803.96)	613,106.77	(641,381.30)	(28,274.53)
NATURAL GAS STORAGE PLANT							
UNDERGROUND							
235010 LAND	29,500.57				29,500.57	0.00	29,500.57
235120 COMPRESSOR STATION STRUCTURES	1,189,200.29	344,036.54	(880.73)	343,155.81	1,532,356.10	(674,109.46)	858,246.64
235130 MEASURING AND REGULATING STATION STRUCTURES	10,879.61				10,879.61	(14,230.49)	(3,350.88)
235140 OTHER STRUCTURES	839,569.70	44,318.26	(381.57)	43,936.69	883,506.39	(729,410.14)	154,096.25
235220 RESERVOIRS	400,511.40				400,511.40	(440,743.08)	(40,231.68)
235230 NONRECOVERABLE NATURAL GAS	9,648,855.00				9,648,855.00	(6,831,854.45)	2,817,000.55
235240 WELL DRILLING	2,217,899.70				2,217,899.70	(2,358,074.90)	(140,175.20)
235250 WELL EQUIPMENT	4,802,192.14	517,340.79	(14,280.93)	503,059.86	5,305,252.00	(2,633,070.18)	2,672,181.82
235300 LINES	9,853,654.78	963,014.31	(92,230.13)	870,784.18	10,724,438.96	(5,650,736.95)	5,073,702.01
235400 COMPRESSOR STATION EQUIPMENT	13,901,638.43	15,343.48	(8,379.90)	6,963.58	13,908,602.01	(6,683,485.96)	7,225,116.05
235500 MEASURING AND REGULATING EQUIPMENT	383,612.92				383,612.92	(253,234.28)	130,378.64
235600 PURIFICATION EQUIPMENT	9,779,865.31	281,651.10	(64,917.37)	216,733.73	9,996,599.04	(3,610,905.99)	6,385,693.05
235700 OTHER EQUIPMENT	866,689.94	42,348.74		42,348.74	909,038.68	(232,033.95)	677,004.73
TOTAL UNDERGROUND STORAGE PLANT	53,924,069.79	2,208,053.22	(181,070.63)	2,026,982.59	55,951,052.38	(30,111,889.83)	25,839,162.55
TOTAL NATURAL GAS STORAGE PLANT	53,924,069.79	2,208,053.22	(181,070.63)	2,389,123.85	55,951,052.38	(30,111,889.83)	25,839,162.55
TRANSMISSION PLANT							
236520 RIGHTS OF WAY	220,659.05				220,659.05	(191,962.64)	28,696.41
236700 MAINS	12,493,985.33	7,671.74	(7,950.19)	(278.45)	12,493,706.88	(11,187,591.65)	1,306,115.23
TOTAL TRANSMISSION PLANT	12,714,644.38	7,671.74	(7,950.19)	(278.45)	12,714,365.93	(11,379,554.29)	1,334,811.64

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2004

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE	
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS				ADJUSTMENTS
DISTRIBUTION PLANT								
	7,586.67						7,586.67	
237411 CITY GATE CHECK STATION LAND	54,457.06				54,457.06		54,457.06	
237412 OTHER DISTRIBUTION LAND	74,018.23				74,018.23	(68,407.56)	5,610.67	
237422 OTHER DISTRIBUTION LAND RIGHTS	161,043.60	47,524.57		47,524.57	208,568.17	(97,350.52)	111,217.65	
237510 CITY GATE STATION STRUC. & IMPROV.	788,487.48				788,487.48	(330,705.12)	457,782.36	
237520 OTHER DISTRIBUTION STRUC. & IMPROV.	234,067,572.23	10,039,459.47	(153,466.27)	9,885,993.20	243,953,565.43	(81,646,239.52)	162,307,325.91	
237600 MAINS					7,359,509.09	(2,026,819.55)	5,332,689.54	
237800 MEASURING AND REGULATING STATION EQUIPMENT-GENERAL	6,669,588.84	764,469.29	(74,549.04)	689,920.25				
237900 MEASURING AND REGULATING STATION EQUIPMENT-CITY GATE STATIONS	3,599,623.23	164,087.85	(57,724.03)	106,363.82	3,705,987.05	(1,039,267.69)	2,666,719.36	
238000 SERVICES	110,025,963.19	5,782,158.89	(217,829.80)	5,564,329.09	115,590,292.28	(36,699,607.07)	78,890,685.21	
238100 METERS	19,979,637.78	439,829.99	(55,970.09)	383,859.90	20,363,497.68	(4,100,535.09)	16,262,962.59	
238200 METER INSTALLATIONS	6,655,587.82	142,801.91	(46,822.06)	95,979.85	6,751,567.67	837,711.01	7,589,278.68	
238300 HOUSE REGULATORS	3,715,907.99	18,468.30		18,468.30	3,734,376.29	(1,343,340.96)	2,391,035.33	
238400 HOUSE REGULATOR INSTALLATIONS	2,152,161.59				2,152,161.59	(368,047.77)	1,784,113.82	
238500 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	142,801.65				142,801.65	(102,374.69)	40,426.96	
238700 OTHER EQUIPMENT	65,051.59				65,051.59	(21,849.38)	43,202.21	
TOTAL DISTRIBUTION PLANT	388,159,488.95	17,398,800.27	(606,361.29)	18,005,161.56	404,951,927.93	(127,006,833.91)	277,945,094.02	
GENERAL PLANT								
239210 TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	3,126,756.38	3,761.39	(217,646.01)	(213,884.62)	2,912,871.76	(2,650,510.14)	262,361.62	
239220 TRANSPORTATION EQUIPMENT - TRAILERS	357,589.23	55,993.81		55,993.81	413,583.04	(104,503.71)	309,079.33	
239400 TOOLS, SHOP, AND GARAGE EQUIPMENT	3,038,736.32	23,368.47		23,368.47	3,062,104.79	(986,578.13)	2,075,526.66	
239500 LABORATORY EQUIPMENT	435,068.27				435,068.27	(239,923.77)	195,144.50	
239610 POWER OPERATED EQUIP. - HOURLY RATED	1,805,342.88	636,448.24	(50,179.86)	586,268.38	2,391,611.26	(1,869,736.18)	521,875.08	
239620 POWER OPERATED EQUIPMENT - OTHER	58,118.72				58,118.72	(34,831.82)	23,286.90	
TOTAL GENERAL PLANT	8,821,611.80	719,571.91	(267,825.87)	987,397.78	9,273,357.84	(5,886,083.75)	3,387,274.09	
SUMMARY								
101 TOTAL GAS PLANT IN SERVICE	464,236,725.65	20,334,097.14	(1,067,011.94)	21,377,600.78	0.00	483,503,810.85	(175,025,743.08)	308,478,067.77
102 GAS PLANT PURCHASED OR SOLD								
103 GAS PLANT IN PROGRESS OF RECLASSIFICATION								
104 GAS PLANT LEASED TO OTHERS								24,329,764.91
105 GAS PLANT HELD FOR FUTURE USE				10,618,828.92	24,329,764.91			1,882,661.68
107 CONSTRUCTION WORK IN PROGRESS - GAS	13,710,935.99	10,618,828.92			1,882,661.68			
117 GAS STORED UNDERGROUND/NON-CURRENT	1,882,661.68							
TOTAL GAS PLANT	479,830,323.32	30,952,926.06	(1,067,011.94)	32,019,938.00	0.00	509,716,237.44	(175,025,743.08)	334,690,494.36

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2004

22.11

RESERVE FOR DEPRECIATION - GAS EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE						NET BALANCE THIS DATE	
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE		COST OF REMOVAL
GAS							278,364.17	(30,111,889.83)
UNDERGROUND STORAGE	(29,440,947.94)	(1,201,728.14)	181,070.63	71,351.45				0.00
OTHER STORAGE							5,692.78	(11,379,554.29)
TRANSMISSION	(11,179,560.80)	(213,636.46)	7,950.19				286,802.97	(127,006,833.91)
DISTRIBUTION	(116,219,392.17)	(11,612,732.77)	606,361.29	(58,827.70)		(9,045.53)		(1,365,837.43)
GENERAL	(1,241,068.71)	(124,768.72)	0.00					
TOTAL GAS EXCL. TRANSP. & P.O. EQ.	(158,080,969.62)	(13,152,866.09)	795,382.11	12,523.75		(9,045.53)	570,859.92	(169,864,115.46)
TOTAL TRANSPORTATION EQUIPMENT	(2,416,982.26)	(302,823.41)	217,646.01			1,368.09	(149,718.57)	(2,650,510.14)
TOTAL POWER OPERATED EQUIPMENT	(1,670,905.65)	(249,268.81)	50,179.86			180.83	77.59	(1,869,736.18)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - GAS	(162,168,857.53)	(13,704,958.31)	1,063,207.98	12,523.75		(7,496.61)	421,218.94	(174,384,361.78)
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC.								(569,229.85)
GAS	(573,393.92)	4,164.07						(71,351.45)
UNDERGROUND STORAGE LAND AND LAND RIGHTS	0.00			(71,351.45)			360.11	(800.00)
OTHER	(800.00)	(4,164.07)	3,803.96					
TOTAL RESERVE FOR AMORTIZATION OF PLANT IN SERVICE - GAS	(574,193.92)	0.00	3,803.96	(71,351.45)			360.11	(641,381.30)
108001 RWIP	(454,535.01)				(413,723.20)	0.00	151,307.19	0.00
108901 RWIP	860,100.73					(223.72)	673,581.88	(5,463.98)
TOTAL RETIREMENT WORK IN PROGRESS	405,565.72	0.00	0.00	0.00	(413,723.20)	(223.72)	824,889.07	(5,463.98)

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
COMMON UTILITY PLANT
AS OF DECEMBER 31, 2004

22.12

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
INTANGIBLE PLANT								
330100 ORGANIZATION	83,782.29					83,782.29		83,782.29
330200 FRANCHISES AND CONSENTS	4,200.00					4,200.00	(4,200.00)	0.00
330300 MISC. INTANGIBLE PLANT-SOFTWARE	32,307,001.94	8,123,788.76	(17,658,936.18)	(9,535,147.42)		22,771,854.52	(10,501,238.68)	12,270,615.84
330320 MISC. INTANGIBLE PLANT-LAW	78,799.60					78,799.60	(78,799.60)	0.00
TOTAL INTANGIBLE PLANT	32,473,783.83	8,123,788.76	(17,658,936.18)	(9,535,147.42)		22,938,636.41	(10,584,238.28)	12,354,398.13
GENERAL PLANT								
338910 LAND	1,711,503.17					1,711,503.17		1,711,503.17
338920 LAND RIGHTS	202,094.94					202,094.94	(97,605.24)	104,489.70
339010 STRUCT. AND IMPROV.-G.O.	47,731,850.84	1,189,960.64	(994,068.39)	195,892.25		47,927,743.09	(15,286,499.37)	32,641,243.72
339020 STRUCT. AND IMPROV.-TRANS.	1,822,525.84	33,219.07	(1,190,893.32)	(1,157,674.25)		664,851.59	588,934.05	1,253,785.64
339030 STRUCT. AND IMPROV.-STORES	10,915,106.09					10,915,106.09	(6,330,310.02)	4,584,796.07
339040 STRUCT. AND IMPROV.-SHOPS	506,225.90	1,705.47		1,705.47		507,931.37	(278,301.14)	229,630.23
339060 STRUCT. AND IMPROV.-MICROWAVE	694,996.39					694,996.39	(104,827.17)	590,169.22
339110 OFFICE FURNITURE	11,748,148.17	100,964.19	(22,391.05)	78,573.14		11,826,721.31	(4,365,539.07)	7,461,182.24
339120 OFFICE EQUIPMENT	2,973,057.00	61,684.43	(1,198.55)	60,485.88		3,033,542.88	(1,163,866.44)	1,869,676.44
339130 COMPUTER EQUIPMENT	23,207,118.92	1,528,146.64	(1,233,294.92)	294,851.72		23,501,970.64	(17,336,962.53)	6,165,008.11
339131 PERSONAL COMPUTERS	5,642,893.47	532,136.74		532,136.74		6,175,030.21	(5,505,231.67)	669,798.54
339140 SECURITY EQUIPMENT	2,184,960.81	61,267.89		61,267.89		2,246,228.70	(694,586.40)	1,551,642.30
339210 TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	189,519.71		(56,850.71)	(56,850.71)		132,669.00	(408,988.01)	(276,319.01)
339220 TRANSP. EQUIPMENT - TRAILERS	63,404.28					63,404.28	(24,696.89)	38,707.39
339300 STORES EQUIPMENT	1,229,701.73		(9,970.59)	(9,970.59)		1,219,731.14	(359,416.80)	860,314.34
339400 TOOLS, SHOP, AND GARAGE EQUIP.	2,756,301.11	786,120.37	(252.35)	785,868.02		3,542,169.13	(603,228.34)	2,938,940.79
339500 LABORATORY EQUIPMENT	22,281.50					22,281.50	(7,460.21)	14,821.29
339610 POWER OPERATED EQUIP. - TRMS	258,314.21					258,314.21	(258,314.21)	0.00
339620 POWER OPERATED EQUIP. - OTHER	14,147.08					14,147.08	(6,314.02)	7,833.06
339700 COMMUNICATION EQUIPMENT	32,840,482.18	366,845.00	(437,794.18)	(70,949.18)		32,769,533.00	(9,934,332.48)	22,835,200.52
339710 COMMUNICATION EQUIP.-COMPUTER	5,576,015.67	38,017.32	(241,279.23)	(203,261.91)		5,372,753.76	(3,509,445.23)	1,863,308.53
339800 MISCELLANEOUS EQUIPMENT	1,018,226.82	4,384.10		4,384.10		1,022,610.92	(219,350.16)	803,260.76
TOTAL GENERAL PLANT	153,308,875.83	4,704,451.86	(4,187,993.29)	516,458.57		153,825,334.40	(65,906,341.35)	87,918,993.05
SUMMARY								
101 TOTAL COMMON UTILITY PLANT IN SERVICE	185,782,659.66	12,828,240.62	(21,846,929.47)	(9,018,688.85)	0.00	176,763,970.81	(76,490,579.63)	100,273,391.18
102 COMMON UTILITY PLANT PURCH. OR SOLD								
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION								
104 COMMON UTILITY PLANT LEASED TO OTHER								
105 COMMON UTILITY PLANT HELD FOR FUTURE USE								
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY	12,984,750.08	3,057,587.27		3,057,587.27		16,042,337.35		16,042,337.35
TOTAL COMMON UTILITY PLANT	198,767,409.74	15,885,827.89	(21,846,929.47)	(5,961,101.58)	0.00	192,806,308.16	(76,490,579.63)	116,315,728.53

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
 AS OF DECEMBER 31, 2004

	YEAR TO DATE							NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL	
RESERVE FOR DEPRECIATION - COMMON EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT							180,503.62	(65,239,039.13)
COMMON UTILITY GENERAL EXCL. TRANSP. & P. O.	(60,320,020.70)	(9,348,147.21)	4,131,142.58	117,482.58			466.11	(408,988.01)
TOTAL TRANSPORTATION EQUIPMENT	(464,188.24)	(1,650.48)	56,850.71			(466.11)		(258,314.21)
TOTAL POWER OPERATED EQUIPMENT	(258,314.21)		0.00					
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - COMMON	(61,042,523.15)	(9,349,797.69)	4,187,993.29	117,482.58		(466.11)	180,969.73	(65,906,341.35)
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC. COMMON UTILITY	(24,136,783.87)	(4,106,390.59)	17,658,936.18				0.00	(10,584,238.28)
108001 RWIP	(157,637.94)					(180,503.62)	409,352.33	(348,474.74)
108901 RWIP	217,061.79					19,736.11	(351,881.29)	(215,401.89)
TOTAL RETIREMENT WORK IN PROGRESS	59,423.85	0.00	0.00	0.00	(180,503.62)	9,402.93	57,471.04	(563,876.63)

LOUISVILLE GAS AND ELECTRIC - INDIANA
ELECTRIC PLANT
AS OF DECEMBER 31, 2004

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
TRANSMISSION PLANT							143,707.75
135020 LAND	143,707.75				143,707.75		143,707.75
135010 LAND RIGHTS	465,100.04				465,100.04	(201,597.72)	263,502.32
135210 SUBSTATION STRUCTURES	338,701.07			2,974.76	338,701.07	(186,797.32)	151,903.75
135310 SUBSTATION EQUIPMENT	10,548,750.14	2,974.76			10,551,724.90	(6,052,913.88)	4,498,811.02
135400 TOWERS AND FIXTURES	6,101,677.25				6,101,677.25	(3,922,767.17)	2,178,910.08
135500 POLES AND FIXTURES	1,301,392.50				1,301,392.50	(727,524.72)	573,867.78
135600 OVERHEAD CONDUCTORS AND DEVICES	3,320,899.30				3,320,899.30	(2,333,410.12)	987,489.18
TOTAL TRANSMISSION PLANT	22,220,228.05	2,974.76		2,974.76	22,223,202.81	(13,425,010.93)	8,798,191.88
SUMMARY	22,220,228.05	2,974.76		2,974.76	22,223,202.81	(13,425,010.93)	8,798,191.88
101 TOTAL ELECTRIC PLANT IN SERVICE							
102 ELECTRIC PLANT PURCHASED OR SOLD							
103 ELECTRIC PLANT IN PROCESS OF RECLASSIFICATION							
104 ELECTRIC PLANT LEASED TO OTHERS					91,580.84		91,580.84
105 ELECTRIC PLANT HELD FOR FUTURE USE	461,220.45	(369,639.61)		(369,639.61)			
107 CONSTRUCTION WORK IN PROGRESS-ELEC.							
108 ACCUMULATED RESERVE					22,314,783.65	(13,425,010.93)	8,889,772.72
TOTAL ELECTRIC PLANT	22,681,448.50	(366,664.85)		(366,664.85)	22,314,783.65	(13,425,010.93)	8,889,772.72

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
 AS OF DECEMBER 31, 2004

22.15

RESERVE FOR DEPRECIATION - ELECTRIC

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

	YEAR TO DATE						NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	
ELECTRIC							
STEAM PRODUCTION							
HYDRAULIC PRODUCTION - PROJECT 289							
HYDRAULIC PRODUCTION - NON-PROJECT							
OTHER PRODUCTION							
TRANSMISSION - PROJECT 289							(13,425,010.93)
TRANSMISSION - NON-PROJECT	(12,908,986.82)	(516,024.11)					
DISTRIBUTION							
GENERAL							
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	(12,908,986.82)	(516,024.11)					(13,425,010.93)

LOUISVILLE GAS AND ELECTRIC - INDIANA
GAS PLANT
AS OF DECEMBER 31, 2004

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
NATURAL GAS STORAGE PLANT UNDERGROUND							
	3,363.50				3,363.50		3,363.50
235010 LAND	310,632.78				310,632.78	(38,055.85)	272,576.93
235140 OTHER STRUCTURES	404,997.91				404,997.91	(264,670.18)	140,327.73
235240 WELL DRILLING	515,790.61		(16.23)	(16.23)	515,774.38	(306,438.54)	209,335.84
235250 WELL EQUIPMENT	797,476.76				797,476.76	(550,106.68)	247,370.08
235300 LINES	95,181.12				95,181.12	(11,070.18)	84,110.94
235700 OTHER EQUIPMENT							
TOTAL UNDERGROUND STORAGE PLANT	2,127,442.68		(16.23)	(16.23)	2,127,426.45	(1,170,341.43)	957,085.02
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SUMMARY							
101 TOTAL GAS PLANT IN SERVICE	2,127,442.68		(16.23)	16.23	2,127,426.45	(1,170,341.43)	957,085.02
102 GAS PLANT PURCHASED OR SOLD							
103 GAS PLANT IN PROGRESS OF RECLASSIFICATION							
104 GAS PLANT LEASED TO OTHERS							
105 GAS PLANT HELD FOR FUTURE USE							
107 CONSTRUCTION WORK IN PROGRESS - GAS	257,328.32				257,328.32		257,328.32
117 GAS STORED UNDERGROUND/NON-CURRENT							
TOTAL GAS PLANT	2,384,771.00		(16.23)	16.23	2,384,754.77	(1,170,341.43)	1,214,413.34

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2004

22.17

RESERVE FOR DEPRECIATION - GAS

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE						NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	
GAS UNDERGROUND STORAGE OTHER STORAGE TRANSMISSION DISTRIBUTION GENERAL	(1,123,523.02)	(46,835.51)	16.23			0.87	(1,170,341.43)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - GAS	(1,123,523.02)	(46,835.51)	16.23			0.87	(1,170,341.43)

LOUISVILLE GAS AND ELECTRIC - INDIANA
COMMON PLANT
AS OF DECEMBER 31, 2004

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
GENERAL PLANT							
339700 COMMUNICATION EQUIPMENT	773,554.64				773,554.64	(207,194.11)	566,360.53
TOTAL GENERAL PLANT	<u>773,554.64</u>				<u>773,554.64</u>	<u>(207,194.11)</u>	<u>566,360.53</u>
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SUMMARY							
101 TOTAL COMMON UTILITY PLANT IN SERVICE	773,554.64				773,554.64	(207,194.11)	566,360.53
102 COMMON UTILITY PLANT PURCH. OR SOLD							
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION							
104 COMMON UTILITY PLANT LEASED TO OTHER							
105 COMMON UTILITY PLANT HELD FOR FUTURE USE							
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY							
TOTAL COMMON UTILITY PLANT	<u>773,554.64</u>				<u>773,554.64</u>	<u>(207,194.11)</u>	<u>566,360.53</u>

LOUISVILLE GAS AND ELECTRIC - INDIANA
RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
AS OF DECEMBER 31, 2004

RESERVE FOR DEPRECIATION - COMMON
EXCLUSIVE OF TRANSPORTATION AND
POWER OPERATED EQUIPMENT

COMMON
STEAM PRODUCTION
HYDRAULIC PRODUCTION - PROJECT 289
HYDRAULIC PRODUCTION - NON-PROJECT
OTHER PRODUCTION
TRANSMISSION - PROJECT 289
TRANSMISSION - NON-PROJECT
DISTRIBUTION
GENERAL

TOTAL RESERVE FOR DEPRECIATION
OF PLANT IN SERVICE - ELECTRIC

	YEAR TO DATE						NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	
							(207,194.11)
	(178,263.19)	(28,930.92)					(207,194.11)
	(178,263.19)	(28,930.92)					(207,194.11)

Louisville Gas and Electric Company

Reserve and Accumulated Depreciation Schedules

2005

Louisville Gas and Electric Company
Summary of Utility Plant
December 31, 2005

RESERVE FOR DEPRECIATION OF UTILITY	NET BALANCE FIRST OF YEAR	ACCRUALS	RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	COST OF REMOVAL	SALVAGE	OTHER CREDITS	BALANCE TO DATE
Life Reserves									
Electric.....	(1,180,675,653.06)	(82,178,444.05)	5,583,274.00	(6,198,016.86)	-	-	-	-	(1,263,468,839.97)
Electric - ARO Steam.....	(1,245,239.75)	(661,693.39)	-	(3,975.32)	-	-	-	-	(1,910,908.46)
Electric - ARO Hydro.....	-	(15,828.80)	-	-	-	-	-	-	(15,828.80)
Electric - ARO Other Production.....	-	(108,081.92)	-	-	-	-	-	-	(108,081.92)
Electric - ARO Transmission.....	(1,311.39)	(676.84)	-	-	-	-	-	-	(1,988.23)
Electric - ARO Distribution.....	-	(11,699.20)	-	-	-	-	-	-	(11,699.20)
Gas.....	(130,601,720.59)	(9,962,463.96)	-	(2,036,966.48)	-	-	-	-	(142,601,151.03)
Gas - ARO Underground Storage.....	-	(356,192.24)	-	-	-	-	-	-	(356,192.24)
Gas - ARO Distribution.....	-	(19,101.73)	-	-	-	-	-	-	(19,101.73)
Common - ARO.....	-	(1,096.64)	-	-	-	-	-	-	(1,096.64)
Common.....	(65,115,443.86)	(9,739,805.90)	-	(696,542.59)	-	-	-	-	(75,551,792.35)
Total Life Reserve For Depreciation Of Utility Plant In Service.....	(1,377,639,368.65)	(103,055,084.67)	5,583,274.00	(8,935,501.25)	-	-	-	-	(1,484,046,680.57)
Salvage Reserves									
Steam Production.....	(50,840,326.86)	(5,756,626.07)	-	3,999,914.62	-	1,254,277.38	-	-	(51,342,760.93)
Hydro Production.....	(773,045.00)	-	-	27,803.39	-	-	-	-	(745,241.61)
Other Production.....	(1,013,995.24)	-	-	(1,255,102.94)	-	-	-	-	(2,269,098.18)
Transmission.....	(15,882,868.58)	(999,276.35)	-	93,550.69	-	-	-	-	(16,788,594.24)
Distribution.....	(125,022,014.26)	(5,771,474.54)	-	3,119,345.19	-	-	-	-	(127,674,143.61)
Gas Ured Storage.....	(2,064,671.10)	2,199,610.17	-	278,365.04	-	-	-	-	413,304.11
Gas Transmission.....	(2,469,646.60)	(103,155.24)	-	5,692.78	-	-	-	-	(2,567,109.06)
Gas Distribution.....	(40,418,664.92)	(3,946,517.95)	-	919,698.69	-	-	-	-	(43,445,484.18)
Common.....	(998,091.60)	(47,653.21)	-	1,071,075.24	-	-	-	-	25,330.43
Total Salvage Reserve For Depreciation Of Utility Plant In Service.....	(239,483,324.16)	(14,425,093.19)	-	8,260,342.70	-	1,254,277.38	-	-	(244,393,797.27)
Total Reserves									
Electric.....	(1,375,454,454.14)	(95,503,801.16)	5,583,274.00	(216,481.23)	-	1,254,277.38	-	-	(1,464,337,185.15)
Gas.....	(175,554,703.21)	(12,187,820.95)	-	(833,209.97)	-	-	-	-	(188,575,734.13)
Common.....	(66,113,535.46)	(9,788,555.75)	-	374,532.65	-	-	-	-	(75,527,558.56)
Total Reserve For Depreciation Of Utility Plant In Service.....	(1,617,122,692.81)	(117,480,177.86)	5,583,274.00	(675,158.55)	-	1,254,277.38	-	-	(1,728,440,477.84)
Retirement Work In Progress									
108001									
Electric.....	2,108,936.42	-	-	437,673.57	-	(79,030.19)	-	(4,733.50)	2,462,846.30
Gas.....	(716,951.02)	-	-	33,629.27	-	79,936.54	-	-	(603,385.21)
Common.....	60,877.59	-	-	254,189.05	-	409,582.56	-	-	724,649.20
Total 108001 RWIP.....	1,452,862.99	-	-	725,491.89	-	410,488.91	-	(4,733.50)	2,584,110.29
108901									
Electric.....	9,028,036.28	-	-	(437,673.57)	(1,254,277.38)	6,980,079.15	(443,892.67)	(860,587.65)	13,011,684.16
Gas.....	1,527,994.91	-	-	(33,629.27)	-	1,142,070.62	-	8,705.06	2,645,141.32
Common.....	(215,401.89)	-	-	(254,189.05)	-	283,674.93	(497,714.75)	(14,763.43)	(698,394.19)
Total 108901 RWIP.....	10,340,629.30	-	-	(725,491.89)	(1,254,277.38)	8,405,824.70	(941,607.42)	(866,646.02)	14,958,431.29
Grand Total RWIP.....	11,793,492.29	-	-	-	(1,254,277.38)	8,816,313.61	(941,607.42)	(871,379.52)	17,542,541.58
Ytd Activity	(1,605,329,200.52)	(117,480,177.86)	5,583,274.00	(675,158.55)	(1,254,277.38)	10,070,590.99	(941,607.42)	(871,379.52)	(1,710,897,936.26)
Amortization									
Electric.....	(100.00)	-	-	-	-	-	-	-	(100.00)
Gas.....	(641,381.30)	-	-	640,581.30	-	-	-	-	(800.00)
Common.....	(10,584,238.28)	(6,116,307.52)	-	(900.00)	-	-	-	-	(16,701,445.80)
Total Reserve For Amortization Of Utility Plant In Service.....	(11,225,719.58)	(6,116,307.52)	-	639,681.30	-	-	-	-	(16,702,345.80)
Total Reserve For Depreciation and Amortization - Utility Plant In Service.....	(1,616,554,920.10)	(123,596,485.38)	5,583,274.00	(35,477.25)	(1,254,277.38)	10,070,590.99	(941,607.42)	(871,379.52)	(1,727,600,282.06)
Utility Plant at Original Cost Less Reserve For Depreciation and Amortization	2,299,249,030.52								2,321,534,575.99

LOUISVILLE GAS & ELECTRIC COMPANY
RECONCILIATION OF SUMMARY OF UTILITY PLANT REPORT TO INCOME STATEMENT DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2005

	YTD ACCRUAL RESERVE FOR DEPRECIATION AND AMORTIZATION	YTD ACCRUAL TO ACCOUNT 254	YTD LOCOMOTIVES ACCOUNT 151040	YTD RAILCARS ACCOUNT 151060	YTD GAS PIPELINE ACCOUNT 151061	YTD TRANSPORTATION/POE ACCOUNT 184315	YTD FIN 47 IMPLEMENTATION ARO ASSETS	YTD INCOME STATEMENT ACCRUAL & AMORTIZATION	Gl. Trial Balance	Variance
				112,060.68			532,626.19	(56,496,232.66)		
			13,188.60				15,828.80	(129,067.20)		
	(56,583,032.50)	38,449.44						(341,037.31)		
Steam Production.....	(661,693.39)							-		
Steam Production - Asset Retirement Obligation.....	(341,037.31)				82,508.07		108,081.92	(5,883,859.97)		
Hydro Production.....	(15,828.80)						592.96	(83.88)		
Hydro Production - Asset Retirement Obligation.....	(7,456,019.62)							(24,128,802.42)		
Other Production.....	(108,081.92)						11,699.20	-		
Other Production - Asset Retirement Obligation.....	(5,883,859.97)							(152,393.84)		
Transmission.....	(676.84)							-		
Transmission - Asset Retirement Obligation.....	(24,128,802.42)							(0.00)		
Distribution.....	(11,699.20)					123,995.57		-		
Distribution - Asset Retirement Obligation.....	(152,393.84)				82,508.07	36,679.78	668,829.07	(94,504,988.83)		
General.....	(123,995.57)			112,060.68		160,675.35		-		
Transportation.....	(36,679.78)		13,188.60				(2,424,395.60)	-		
Power Operated Equipment.....	(95,503,801.16)	38,449.44					356,192.24	-		
Total Electric Plant.....	(11,435,355.36)						19,101.73	-		
	(356,192.24)							0.00		
Gas Plant.....	(19,101.73)			0.00	0.00	177,018.19		(13,859,750.96)		
Gas Plant - Underground Storage ARO.....	(177,018.19)		0.00			200,153.43		-		
Gas Plant - Distribution ARO.....	(200,153.43)	0.00				377,171.62	(2,049,101.63)	(9,787,459.11)		
Gas Transportation.....	(12,187,820.95)						1,096.64	-		
Gas Power Operated Equipment.....								0.00		
Total Gas Plant.....	(9,787,459.11)							(9,787,459.11)		
	(1,096.64)							-		
Common Plant.....	0.00			0.00	0.00	0.00		(118,152,198.90)	118,152,198.90	0.00
Common Plant - Asset Retirement Obligation.....	0.00							-		
Common Transportation.....	(9,788,555.75)	0.00						(6,116,307.52)	6,116,307.52	0.00
Common Operated Equipment.....								-		
Total Common Plant.....	(117,480,177.86)							(124,268,506.42)	124,268,506.42	0.00
Total Accrual of Utility Plant In Service.....	(6,116,307.52)									
Total Amortization of Utility Plant In Service.....	(123,596,485.38)									
Total Accrual and Amortization of Utility Plant In Service.....										

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2005

22.3

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
INTANGIBLE PLANT								
130100 ORGANIZATION - PROJECT 289	2,240.29					2,240.29		2,240.29
130200 FRANCHISES AND CONSENTS	100.00					100.00	(100.00)	0.00
TOTAL INTANGIBLE PLANT	2,340.29	0.00	0.00	0.00	0.00	2,340.29	(100.00)	2,240.29
PRODUCTION PLANT								
STEAM PLANT								
131020 LAND	6,203,853.30	100,000.00		100,000.00		6,303,853.30		6,303,853.30
131100 STRUCTURES AND IMPROVEMENTS	326,398,947.40	2,721,695.28	(921,450.00)	1,800,245.28		328,199,192.68	(187,646,725.45)	140,552,467.23
131200 BOILER PLANT EQUIPMENT	1,205,134,868.14	22,947,389.97	(4,197,701.00)	18,749,688.97		1,223,884,557.11	(521,729,690.03)	702,154,867.08
131400 TURBOGENERATOR UNITS	196,181,737.51	2,934,889.17	(464,123.00)	2,470,766.17		198,652,503.68	(114,808,675.17)	83,843,828.51
131500 ACCESSORY ELECTRIC EQUIPMENT	163,451,140.64	298,662.39		298,662.39		163,749,803.03	(97,578,885.63)	66,170,917.40
131600 MISCELLANEOUS POWER PLANT EQUIPMENT	11,208,564.65	785,590.70		785,590.70		11,994,155.35	(4,236,980.79)	7,757,174.56
131700 ASSET RETIREMENT OBLIGATIONS STEAM PLANT	4,581,010.00	1,116,169.40		1,116,169.40		5,697,179.40	(1,910,908.46)	3,786,270.94
TOTAL STEAM PRODUCTION PLANT	1,913,160,121.64	30,904,396.91	(5,583,274.00)	25,321,122.91	0.00	1,938,481,244.55	(927,911,865.53)	1,010,569,379.02
HYDRAULIC PLANT								
PROJECT 289								
133020 LAND	7.00					7.00		7.00
133100 STRUCTURES AND IMPROVEMENTS	4,995,148.82	424,808.83		424,808.83		5,419,957.65	(5,570,301.27)	(150,343.62)
133200 RESERVOIRS, DAMS AND WATERWAYS	4,977,441.24					4,977,441.24	(347,913.54)	4,629,527.70
133300 WATERWHEELS, TURBINES AND GENERATORS	2,500,750.50	180,534.43		180,534.43		2,681,284.93	(2,748,742.28)	(67,457.35)
133400 ACCESSORY ELECTRIC EQUIPMENT	4,543,696.37	3,855.04		3,855.04		4,547,551.41	(1,018,665.46)	3,528,885.95
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	173,020.30	4,942.65		4,942.65		177,962.95	(94,741.86)	83,221.09
133600 ROADS, RAILROADS AND BRIDGES	178,846.99					178,846.99	(216,939.30)	(38,092.31)
TOTAL HYDRAULIC PLANT-PROJECT 289	17,368,911.22	614,140.95	0.00	614,140.95	0.00	17,983,052.17	(9,997,303.71)	7,985,748.46
OTHER THAN PROJECT 289								
133020 LAND	6.00					6.00		6.00
133100 STRUCTURES AND IMPROVEMENTS	65,796.14					65,796.14	(34,279.83)	31,516.31
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	7,813.67					7,813.67	(1,929.00)	5,884.67
133600 ROADS, RAILROADS AND BRIDGES	1,133.98					1,133.98	(810.71)	323.27
133700 ASSET RETIREMENT OBLIGATIONS HYDRO PLANT		31,162.95		31,162.95		31,162.95	(15,828.80)	15,334.15
TOTAL HYDRAULIC PLANT - OTHER THAN PROJECT 289	74,749.79	31,162.95	0.00	31,162.95	0.00	105,912.74	(52,848.34)	53,064.40
TOTAL HYDRAULIC PRODUCTION PLANT	17,443,661.01	645,303.90	0.00	645,303.90	0.00	18,088,964.91	(10,050,152.05)	8,038,812.86

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2005

22.4

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
PRODUCTION PLANT								
OTHER PRODUCTION PLANT								
134020	41,125.94					41,125.94		41,125.94
134100	15,165,087.56	85,700.90		85,700.90		15,250,788.46	(1,808,654.05)	13,442,134.41
134200	7,195,413.60	178,893.89		178,893.89		7,374,307.49	(1,094,248.86)	6,280,058.63
134300	151,543,866.97	300,842.95		300,842.95		151,844,709.92	(22,199,173.07)	129,645,536.85
134400	33,175,439.19					33,175,439.19	(11,301,189.90)	21,874,249.29
134500	16,761,121.20					16,761,121.20	(2,173,982.81)	14,587,138.39
134600	3,723,153.64	8,937.45		8,937.45		3,732,091.09	(597,373.52)	3,134,717.57
134700		297,215.31		297,215.31		297,215.31	(108,081.92)	189,133.39
TOTAL OTHER PRODUCTION PLANT	227,605,208.10	871,590.50	0.00	871,590.50	0.00	228,476,798.60	(39,282,704.13)	189,194,094.47
TOTAL PRODUCTION PLANT	2,158,208,990.75	32,421,291.31	(5,583,274.00)	26,838,017.31	0.00	2,185,047,008.06	(977,244,721.71)	1,207,802,286.35
TRANSMISSION PLANT								
PROJECT 289								
135310	1,108,850.33					1,108,850.33	(372,280.64)	736,569.69
135600	16,389.51					16,389.51	(14,369.34)	2,020.17
TOTAL TRANSMISSION PLANT-PROJECT 289	1,125,239.84	0.00	0.00	0.00	0.00	1,125,239.84	(386,649.98)	738,589.86
OTHER THAN PROJECT 289								
135020	744,530.03					744,530.03		744,530.03
135010	2,127,673.77					2,127,673.77	(925,385.73)	1,202,288.04
135210	2,966,484.78	36,791.51		36,791.51		3,003,276.29	(1,552,577.60)	1,450,698.69
135310	114,938,268.50	6,428,748.69		6,428,748.69		121,367,017.19	(66,756,523.74)	54,610,493.45
135400	17,826,152.82	757,189.84		757,189.84		18,583,342.66	(15,646,453.43)	2,936,889.23
135500	25,950,528.53	4,774,757.88		4,774,757.88		30,725,286.41	(12,197,119.35)	18,528,167.06
135600	30,771,939.04	1,525,116.30		1,525,116.30		32,297,055.34	(16,356,294.98)	15,940,760.36
135700	1,880,752.49					1,880,752.49	(408,231.88)	1,472,520.61
135800	5,314,276.54	10,537.39		10,537.39		5,324,813.93	(1,457,083.49)	3,867,730.44
135910	4,000.00	1,686.67		1,686.67		5,686.67	(1,988.23)	3,698.44
TOTAL TRANSMISSION PLANT - OTHER THAN PROJECT 289	202,524,606.50	13,534,828.28	0.00	13,534,828.28	0.00	216,059,434.78	(115,301,658.43)	100,757,776.35
TOTAL TRANSMISSION PLANT	203,649,846.34	13,534,828.28	0.00	13,534,828.28	0.00	217,184,674.62	(115,688,308.41)	101,496,366.21

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 PLANT HELD FOR FUTURE USE
 AS OF DECEMBER 31, 2005

22.6

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
ELECTRIC								
DISTRIBUTION								
136025 SUBSTATION LAND - CLASS A	685,389.54					685,389.54	685,389.54	
136205 SUBSTATION EQUIPMENT-CLASS A	11,382.12					11,382.12	11,382.12	
TOTAL DISTRIBUTION PLANT	696,771.66	0.00	0.00	0.00	0.00	696,771.66	696,771.66	
TOTAL ELECTRIC PLANT HELD FOR FUTURE USE	696,771.66	0.00	0.00	0.00	0.00	696,771.66	696,771.66	

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
NONUTILITY PROPERTY
AS OF DECEMBER 31, 2005

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
COAL MINE	4,184.17					4,184.17	4,184.17	
LAND	63,110.43					63,110.43	0.00	
MINERAL RIGHTS	249.93					249.93	0.00	
RIGHTS OF WAY								
TOTAL COAL MINE	67,544.53	0.00	0.00	0.00	0.00	67,544.53	4,184.17	
OTHER NONUTILITY PROPERTY	13,153.30					13,153.30	13,153.30	
MISCELLANEOUS LAND								
TOTAL NONUTILITY PROPERTY	80,697.83	0.00	0.00	0.00	0.00	80,697.83	17,337.47	
<hr/>								
RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY						(63,360.36)		
COAL MINE						(63,360.36)		
TOTAL RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY						(63,360.36)		
TOTAL NONUTILITY PROPERTY LESS RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION	17,337.47					17,337.47		

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
AS OF DECEMBER 31, 2005

22.8

RESERVE FOR DEPRECIATION - ELECTRIC

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE							NET BALANCE THIS DATE	
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL		OTHER CREDITS
ELECTRIC									
STEAM PRODUCTION	(876,583,538.51)	(56,583,032.50)	5,583,274.00	328,062.55			1,254,277.38	(926,000,957.08)	
STEAM PRODUCTION-ARO	(1,245,239.75)	(661,693.39)	0.00	(3,975.32)				(1,910,908.46)	
HYDRAULIC PRODUCTION - PROJECT 289	(9,657,581.84)	(339,721.87)	0.00					(9,997,303.71)	
HYDRAULIC PRODUCTION - NON-PROJECT	(35,704.10)	(1,315.44)	0.00					(37,019.54)	
HYDRAULIC PRODUCTION - ARO		(15,828.80)	0.00					(15,828.80)	
OTHER PRODUCTION	(31,718,602.59)	(7,456,019.62)	0.00					(39,174,622.21)	
OTHER PRODUCTION - ARO		(108,081.92)	0.00					(108,081.92)	
TRANSMISSION - PROJECT 289	(361,332.14)	(25,317.84)	0.00					(386,649.98)	
TRANSMISSION - NON-PROJECT	(109,932,517.34)	(5,340,808.76)	0.00	(26,344.10)				(115,299,670.20)	
TRANSMISSION - ARO	(1,311.39)	(676.84)	0.00					(1,988.23)	
DISTRIBUTION	(320,068,997.80)	(24,128,802.42)	0.00	99,748.53				(344,098,051.69)	
DISTRIBUTION - ARO		(11,699.20)	0.00					(11,699.20)	
GENERAL	(1,956,154.67)	(152,393.84)	0.00					(2,108,548.51)	
TOTAL ELECTRIC EXCL. TRANSP. & P.O. EQ.	(1,351,560,980.13)	(94,825,392.44)	5,583,274.00	397,491.66		0.00	1,254,277.38	(1,439,151,329.53)	
TOTAL TRANSPORTATION EQUIPMENT	(8,312,121.45)	(123,995.57)	0.00	(613,972.89)				(9,050,089.91)	
TOTAL POWER OPERATED EQUIPMENT	(2,156,341.63)	(36,679.78)	0.00					(2,193,021.41)	
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	(1,362,029,443.21)	(94,986,067.79)	5,583,274.00	(216,481.23)		0.00	1,254,277.38	(1,450,394,440.85)	
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC. ELECTRIC	(100.00)							(100.00)	
RETIREMENT WORK IN PROGRESS: PRODUCTION TRANSMISSION DISTRIBUTION									
108001 RWIP	2,108,936.42			437,673.57		0.00	(79,030.19)	(4,733.50)	2,462,846.30
108901 RWIP	9,028,036.28			(437,673.57)	(1,254,277.38)	(443,892.67)	6,980,079.15	(860,587.65)	13,011,684.16
TOTAL RETIREMENT WORK IN PROGRESS	11,136,972.70	0.00	0.00	0.00	(1,254,277.38)	(443,892.67)	6,901,048.96	(865,321.15)	15,474,530.46

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2005

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
INTANGIBLE PLANT								
230100 ORGANIZATION	1,187.49				(548,241.14)	1,187.49	(800.00)	387.49
230200 FRANCHISES AND CONSENTS	548,241.14				(63,678.14)	0.00	0.00	0.00
235210 STORAGE LEASEHOLDS AND RIGHTS	63,678.14			0.00	(611,919.28)	0.00	0.00	0.00
235020 RIGHTS OF WAY	613,106.77	0.00	0.00	0.00		1,187.49	(800.00)	387.49
TOTAL INTANGIBLE PLANT								
NATURAL GAS STORAGE PLANT								
UNDERGROUND	29,500.57				63,678.14	29,500.57	0.00	29,500.57
235010 LAND	0.00			152,479.69		63,678.14	(70,451.45)	(6,773.31)
235020 RIGHTS OF WAY	1,532,356.10	152,479.69				1,684,835.79	(716,836.89)	967,998.90
235120 COMPRESSOR STATION STRUCTURES	10,879.61			30,409.57		10,879.61	(14,352.29)	(3,472.68)
235130 MEASURING AND REGULATING STATION STRUCTURES	883,506.39	30,409.57			548,241.14	913,915.96	(745,286.44)	168,629.52
235140 OTHER STRUCTURES	0.00					400,511.40	(569,229.85)	(20,988.71)
235210 STORAGE LEASEHOLDS AND RIGHTS	400,511.40					9,648,855.00	(443,506.56)	(42,995.16)
235220 RESERVOIRS	9,648,855.00					400,511.40	(6,998,779.61)	2,650,075.39
235230 NONRECOVERABLE NATURAL GAS	2,217,899.70			370,561.43		9,648,855.00	(2,395,113.74)	(177,214.04)
235240 WELL DRILLING	5,305,252.00	370,561.43				2,217,899.70	(346,152.11)	5,329,661.32
235250 WELL EQUIPMENT	10,724,438.96	694,627.46		694,627.46		11,419,066.42	(5,951,689.34)	5,467,377.08
235300 LINES	13,908,602.01	227,295.86		227,295.86		14,135,897.87	(259,141.88)	6,982,841.84
235400 COMPRESSOR STATION EQUIPMENT	383,612.92			106,509.20		383,612.92	(3,967,006.54)	124,471.04
235500 MEASURING AND REGULATING EQUIPMENT	9,996,599.04	106,509.20		30,560.37		10,103,108.24	(255,789.62)	683,809.43
235600 PURIFICATION EQUIPMENT	909,038.68	30,560.37		504,097.67		939,599.05	(356,192.24)	147,905.43
235700 OTHER EQUIPMENT		504,097.67				504,097.67		
235800 ASSET RETIRE. OBLIGATIONS GAS PLANT					611,919.28	58,679,512.91	(30,242,584.59)	28,436,928.32
TOTAL UNDERGROUND STORAGE PLANT	55,951,052.38	2,116,541.25	0.00	2,116,541.25	611,919.28	58,679,512.91	(30,242,584.59)	28,436,928.32
TOTAL NATURAL GAS STORAGE PLANT	55,951,052.38	2,116,541.25	0.00	2,116,541.25	611,919.28	58,679,512.91	(30,242,584.59)	28,436,928.32
TRANSMISSION PLANT								
236520 RIGHTS OF WAY	220,659.05			188,063.30		220,659.05	(195,669.68)	24,989.37
236700 MAINS	12,493,706.88	188,063.30				12,681,770.18	(11,400,012.26)	1,281,757.92
TOTAL TRANSMISSION PLANT	12,714,365.93	188,063.30	0.00	188,063.30	0.00	12,902,429.23	(11,595,681.94)	1,306,747.29

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2005

22.10

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE	
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS				ADJUSTMENTS
DISTRIBUTION PLANT								
237411	CITY GATE CHECK STATION LAND	7,586.67				7,586.67	7,586.67	
237412	OTHER DISTRIBUTION LAND	54,457.06				54,457.06	54,457.06	
237422	OTHER DISTRIBUTION LAND RIGHTS	74,018.23				74,018.23	(70,591.08) 3,427.15	
237510	CITY GATE STATION STRUC. & IMPROV.	208,568.17				208,568.17	(104,838.16) 103,730.01	
237520	OTHER DISTRIBUTION STRUC. & IMPROV.	788,487.48				788,487.48	(357,040.56) 431,446.92	
237600	MAINS	243,953,565.43	11,149,018.25	11,149,018.25		255,102,583.68	(87,220,762.68) 167,881,821.00	
237800	MEASURING AND REGULATING STATION EQUIPMENT-GENERAL	7,359,509.09	825,901.33	825,901.33		8,185,410.42	(2,283,824.35) 5,901,586.07	
237900	MEASURING AND REGULATING STATION EQUIPMENT-CITY GATE STATIONS	3,705,987.05	98,876.83	98,876.83		3,804,863.88	(1,161,766.01) 2,643,097.87	
238000	SERVICES	115,590,292.28	8,909,718.99	8,909,718.99		124,500,011.27	(41,799,540.21) 82,700,471.06	
238100	METERS	20,363,497.68	(74,030.95)	(74,030.95)		20,289,466.73	(4,725,134.89) 15,564,331.84	
238200	METER INSTALLATIONS	6,751,567.67	(62,024.56)	(62,024.56)		6,689,543.11	625,714.99 7,315,258.10	
238300	HOUSE REGULATORS	3,734,376.29	80,423.54	80,423.54		3,814,799.83	(1,439,034.95) 2,375,764.88	
238400	HOUSE REGULATOR INSTALLATIONS	2,152,161.59				2,152,161.59	(417,117.09) 1,735,044.50	
238500	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	142,801.65	16,560.23	16,560.23		159,361.88	(108,768.07) 50,593.81	
238700	OTHER EQUIPMENT	65,051.59				65,051.59	(23,384.54) 41,667.05	
238800	ASSET RETIRE. OBLIGATIONS GAS PLANT		30,769.48	30,769.48		30,769.48	(19,101.73) 11,667.75	
	TOTAL DISTRIBUTION PLANT	404,951,927.93	20,975,213.14	0.00	20,975,213.14	0.00	425,927,141.07	(139,105,189.33) 286,821,951.74
GENERAL PLANT								
239210	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	2,912,871.76				2,912,871.76	(2,861,673.43) 51,198.33	
239220	TRANSPORTATION EQUIPMENT - TRAILERS	413,583.04	43,769.22	43,769.22		457,352.26	(118,467.44) 338,884.82	
239400	TOOLS, SHOP, AND GARAGE EQUIPMENT	3,062,104.79	140,407.06	140,407.06		3,202,511.85	(1,073,282.30) 2,129,229.55	
239500	LABORATORY EQUIPMENT	435,068.27				435,068.27	(253,614.36) 181,453.91	
239610	POWER OPERATED EQUIP. - HOURLY RATED	2,391,611.26	289,575.63	289,575.63		2,681,186.89	(2,069,889.61) 611,297.28	
239620	POWER OPERATED EQUIPMENT - OTHER	58,118.72				58,118.72	(36,233.70) 21,885.02	
	TOTAL GENERAL PLANT	9,273,357.84	473,751.91	0.00	473,751.91	0.00	9,747,109.75	(6,413,160.84) 3,333,948.91
SUMMARY								
101	TOTAL GAS PLANT IN SERVICE	483,503,810.85	23,753,569.60	0.00	23,753,569.60	0.00	507,257,380.45	(187,357,416.70) 319,899,963.75
102	GAS PLANT PURCHASED OR SOLD							
103	GAS PLANT IN PROGRESS OF RECLASSIFICATION							
104	GAS PLANT LEASED TO OTHERS							
105	GAS PLANT HELD FOR FUTURE USE							
107	CONSTRUCTION WORK IN PROGRESS - GAS	24,329,764.91	16,671,823.83		16,671,823.83		41,001,588.74	41,001,588.74
117	GAS STORED UNDERGROUND/NON-CURRENT	1,882,661.68					1,882,661.68	1,882,661.68
	TOTAL GAS PLANT	509,716,237.44	40,425,393.43	0.00	40,425,393.43	0.00	550,141,630.87	(187,357,416.70) 362,784,214.17

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2005

22.11

RESERVE FOR DEPRECIATION - GAS

YEAR TO DATE

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL	OTHER CREDITS	NET BALANCE THIS DATE
GAS									
UNDERGROUND STORAGE	(30,111,889.83)	225,497.48	0.00						(29,886,392.35)
UNDERGROUND STORAGE - ARO		(356,192.24)							(356,192.24)
OTHER STORAGE		0.00							0.00
TRANSMISSION	(11,379,554.29)	(216,127.65)	0.00						(11,595,681.94)
DISTRIBUTION	(127,006,833.91)	(11,280,188.82)	0.00	(799,064.87)					(139,086,087.60)
DISTRIBUTION - ARO		(19,101.73)							(19,101.73)
GENERAL	(1,365,837.43)	(115,760.37)	0.00						(1,481,597.80)
TOTAL GAS EXCL. TRANSP. & P.O. EQ.	(169,864,115.46)	(11,761,873.33)	0.00	(799,064.87)					(182,425,053.66)
TOTAL TRANSPORTATION EQUIPMENT	(2,650,510.14)	(177,018.19)	0.00	(34,145.10)					(2,861,673.43)
TOTAL POWER OPERATED EQUIPMENT	(1,869,736.18)	(200,153.43)	0.00						(2,069,889.61)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - GAS	(174,384,361.78)	(12,139,044.95)	0.00	(833,209.97)					(187,356,616.70)
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC.									
GAS									
UNDERGROUND STORAGE LAND AND LAND RIGHTS	(569,229.85)			569,229.85					0.00
OTHER	(71,351.45)			71,351.45					0.00
	(800.00)		0.00						(800.00)
TOTAL RESERVE FOR AMORTIZATION OF PLANT IN SERVICE - GAS	(641,381.30)	0.00	0.00	640,581.30			0.00		(800.00)
108001 RWIP	(716,951.02)			33,629.27			79,936.54	0.00	(603,385.21)
108901 RWIP	1,527,994.91			(33,629.27)			1,142,070.62	8,705.06	2,645,141.32
TOTAL RETIREMENT WORK IN PROGRESS	811,043.89	0.00	0.00	0.00	0.00	0.00	1,222,007.16	8,705.06	2,041,756.11

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
COMMON UTILITY PLANT
AS OF DECEMBER 31, 2005

22.12

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
INTANGIBLE PLANT								
330100 ORGANIZATION	83,782.29					83,782.29		83,782.29
330200 FRANCHISES AND CONSENTS	4,200.00					4,200.00	(4,200.00)	0.00
330300 MISC. INTANGIBLE PLANT-SOFTWARE	22,771,854.52	9,846,061.26		9,846,061.26		32,617,915.78	(16,618,446.20)	15,999,469.58
330320 MISC. INTANGIBLE PLANT-LAW	78,799.60					78,799.60	(78,799.60)	0.00
TOTAL INTANGIBLE PLANT	22,938,636.41	9,846,061.26	0.00	9,846,061.26	0.00	32,784,697.67	(16,701,445.80)	16,083,251.87
GENERAL PLANT								
338910 LAND	1,711,503.17					1,711,503.17		1,711,503.17
338920 LAND RIGHTS	202,094.94					202,094.94	(103,567.08)	98,527.86
339010 STRUCT. AND IMPROV.-G.O.	47,927,743.09	2,201,137.85		2,201,137.85		50,128,880.94	(16,437,459.66)	33,691,421.28
339020 STRUCT. AND IMPROV.-TRANS.	664,851.59					664,851.59	574,706.25	1,239,557.84
339030 STRUCT. AND IMPROV.-STORES	10,915,106.09					10,915,106.09	(6,558,435.78)	4,356,670.31
339040 STRUCT. AND IMPROV.-SHOPS	507,931.37	81,535.18		81,535.18		589,466.55	(289,911.77)	299,554.78
339060 STRUCT. AND IMPROV.-MICROWAVE	694,996.39	160,656.37		160,656.37		855,652.76	(123,629.46)	732,023.30
339110 OFFICE FURNITURE	11,826,721.31	591,686.88		591,686.88		12,418,408.19	(4,728,300.15)	7,690,108.04
339120 OFFICE EQUIPMENT	3,033,542.88	185,909.16		185,909.16		3,219,452.04	(1,256,480.11)	1,962,971.93
339130 COMPUTER EQUIPMENT	23,501,970.64	4,882,278.45		4,882,278.45		28,384,249.09	(21,950,838.06)	6,433,411.03
339131 PERSONAL COMPUTERS	6,175,030.21	637,122.46		637,122.46		6,812,152.67	(6,225,250.50)	586,902.17
339140 SECURITY EQUIPMENT	2,246,228.70	158,439.12		158,439.12		2,404,667.82	(766,354.75)	1,638,313.07
339210 TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	132,669.00					132,669.00	(132,669.00)	0.00
339220 TRANSP. EQUIPMENT - TRAILERS	63,404.28					63,404.28	(26,161.49)	37,242.79
339300 STORES EQUIPMENT	1,219,731.14					1,219,731.14	(391,383.02)	828,348.12
339400 TOOLS, SHOP, AND GARAGE EQUIP.	3,542,169.13	70,235.66		70,235.66		3,612,404.79	(705,623.49)	2,906,781.30
339500 LABORATORY EQUIPMENT	22,281.50					22,281.50	(8,048.45)	14,233.05
339610 POWER OPERATED EQUIP. - TRMS	258,314.21					258,314.21	(258,314.21)	0.00
339620 POWER OPERATED EQUIP. - OTHER	14,147.08					14,147.08	(6,629.50)	7,517.58
339700 COMMUNICATION EQUIPMENT	32,769,533.00	2,153,548.16		2,153,548.16		34,923,081.16	(11,281,840.32)	23,641,240.84
339710 COMMUNICATION EQUIP.-COMPUTER	5,372,753.76	310,042.93		310,042.93		5,682,796.69	(4,359,106.93)	1,323,689.76
339800 MISCELLANEOUS EQUIPMENT	1,022,610.92	2,732.17		2,732.17		1,025,343.09	(255,039.41)	770,303.68
339910 ASSET RETIRE. OBLIGATIONS COMMON PLANT		3,735.16		3,735.16		3,735.16	(1,096.64)	2,638.52
TOTAL GENERAL PLANT	153,825,334.40	11,439,059.55	0.00	11,439,059.55	0.00	165,264,393.95	(75,291,433.53)	89,972,960.42
SUMMARY								
101 TOTAL COMMON UTILITY PLANT IN SERVICE	176,763,970.81	21,285,120.81	0.00	21,285,120.81	0.00	198,049,091.62	(91,992,879.33)	106,056,212.29
102 COMMON UTILITY PLANT PURCH. OR SOLD								
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION								
104 COMMON UTILITY PLANT LEASED TO OTHER								
105 COMMON UTILITY PLANT HELD FOR FUTURE USE								
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY	16,042,337.35	(13,665,933.65)		(13,665,933.65)		2,376,403.70		2,376,403.70
TOTAL COMMON UTILITY PLANT	192,806,308.16	7,619,187.16	0.00	7,619,187.16	0.00	200,425,495.32	(91,992,879.33)	108,432,615.99

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
AS OF DECEMBER 31, 2005

RESERVE FOR DEPRECIATION - COMMON

EXCLUSIVE OF TRANSPORTATION AND
POWER OPERATED EQUIPMENT

COMMON UTILITY
COMMON - ARO
GENERAL EXCL. TRANSP. & P. O.

TOTAL TRANSPORTATION EQUIPMENT

TOTAL POWER OPERATED EQUIPMENT

TOTAL RESERVE FOR DEPRECIATION
OF PLANT IN SERVICE - COMMON

RESERVE FOR AMORTIZATION
FRANCHISES AND CONSENTS, ETC.
COMMON UTILITY

108001 RWIP
108901 RWIP
TOTAL RETIREMENT WORK IN PROGRESS

	YEAR TO DATE							NET BALANCE THIS DATE	
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL		OTHER CREDITS
									(1,096.64)
	(65,239,039.13)	(1,096.64) (9,758,528.19)	0.00	98,213.64					(74,899,353.68)
	(408,988.01)	0.00	0.00	276,319.01					(132,669.00)
	(258,314.21)	0.00	0.00						(258,314.21)
	(65,906,341.35)	(9,759,624.83)	0.00	374,532.65	0.00	0.00	0.00	0.00	(75,291,433.53)
	(10,584,238.28)	(6,116,307.52)	0.00	(900.00)					(16,701,445.80)
	60,877.59			254,189.05		0.00	409,582.56	0.00	724,649.20
	(215,401.89)			(254,189.05)		(497,714.75)	283,674.93	(14,763.43)	(698,394.19)
	(154,524.30)	0.00	0.00	0.00	0.00	(497,714.75)	693,257.49	(14,763.43)	26,255.01

LOUISVILLE GAS AND ELECTRIC - INDIANA
ELECTRIC PLANT
AS OF DECEMBER 31, 2005

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
TRANSMISSION PLANT							143,707.75
135020 LAND	143,707.75				465,100.04	(207,690.48)	257,409.56
135010 LAND RIGHTS	465,100.04				338,701.07	(193,639.00)	145,062.07
135210 SUBSTATION STRUCTURES	338,701.07			31,622.55	10,583,347.45	(6,276,243.33)	4,307,104.12
135310 SUBSTATION EQUIPMENT	10,551,724.90	31,622.55			6,101,677.25	(4,069,207.37)	2,032,469.88
135400 TOWERS AND FIXTURES	6,101,677.25				1,301,392.50	(765,915.84)	535,476.66
135500 POLES AND FIXTURES	1,301,392.50				3,320,899.30	(2,430,048.28)	890,851.02
135600 OVERHEAD CONDUCTORS AND DEVICES	3,320,899.30						
TOTAL TRANSMISSION PLANT	22,223,202.81	31,622.55	0.00	31,622.55	22,254,825.36	(13,942,744.30)	8,312,081.06
SUMMARY	22,223,202.81	31,622.55	0.00	31,622.55	22,254,825.36	(13,942,744.30)	8,312,081.06
101 TOTAL ELECTRIC PLANT IN SERVICE							
102 ELECTRIC PLANT PURCHASED OR SOLD							
103 ELECTRIC PLANT IN PROCESS OF RECLASSIFICATION							
104 ELECTRIC PLANT LEASED TO OTHERS					134,956.49		134,956.49
105 ELECTRIC PLANT HELD FOR FUTURE USE	91,580.84	43,375.65		43,375.65			
107 CONSTRUCTION WORK IN PROGRESS-ELEC.							
108 ACCUMULATED RESERVE					22,389,781.85	(13,942,744.30)	8,447,037.55
TOTAL ELECTRIC PLANT	22,314,783.65	74,998.20		74,998.20			

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
 AS OF DECEMBER 31, 2005

22.15

RESERVE FOR DEPRECIATION - ELECTRIC

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

ELECTRIC
 STEAM PRODUCTION
 HYDRAULIC PRODUCTION - PROJECT 289
 HYDRAULIC PRODUCTION - NON-PROJECT
 OTHER PRODUCTION
 TRANSMISSION - PROJECT 289
 TRANSMISSION - NON-PROJECT
 DISTRIBUTION
 GENERAL

	YEAR TO DATE							NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	OTHER CREDITS	
	(13,425,010.93)	(517,733.37)						(13,942,744.30)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	(13,425,010.93)	(517,733.37)	0.00	0.00	0.00	0.00	0.00	(13,942,744.30)

LOUISVILLE GAS AND ELECTRIC - INDIANA
 GAS PLANT
 AS OF DECEMBER 31, 2005

22.16

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE		
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS				ADJUSTMENTS	
NATURAL GAS STORAGE PLANT									
UNDERGROUND									
235010	LAND	3,363.50					3,363.50		
235140	OTHER STRUCTURES	310,632.78				(43,460.89)	267,171.89		
235240	WELL DRILLING	404,997.91				(271,433.62)	133,564.29		
235250	WELL EQUIPMENT	515,774.38				(318,559.26)	197,215.12		
235300	LINES	797,476.76	40,956.95	40,956.95		(571,999.63)	266,434.08		
235700	OTHER EQUIPMENT	95,181.12	3,924.15	3,924.15		(13,664.03)	85,441.24		
	TOTAL UNDERGROUND STORAGE PLANT	<u>2,127,426.45</u>	<u>44,881.10</u>	<u>0.00</u>	<u>44,881.10</u>	<u>0.00</u>	<u>2,172,307.55</u>	<u>(1,219,117.43)</u>	<u>953,190.12</u>
SUMMARY									
101	TOTAL GAS PLANT IN SERVICE	2,127,426.45	44,881.10	0.00	44,881.10	0.00	2,172,307.55	(1,219,117.43)	953,190.12
102	GAS PLANT PURCHASED OR SOLD								
103	GAS PLANT IN PROGRESS OF RECLASSIFICATION								
104	GAS PLANT LEASED TO OTHERS								
105	GAS PLANT HELD FOR FUTURE USE								
107	CONSTRUCTION WORK IN PROGRESS - GAS								
117	GAS STORED UNDERGROUND/NON-CURRENT	257,328.32					257,328.32		257,328.32
	TOTAL GAS PLANT	<u>2,384,754.77</u>	<u>44,881.10</u>	<u>0.00</u>	<u>44,881.10</u>	<u>0.00</u>	<u>2,429,635.87</u>	<u>(1,219,117.43)</u>	<u>1,210,518.44</u>

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2005

22.17

RESERVE FOR DEPRECIATION - GAS

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE						NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	
GAS							
UNDERGROUND STORAGE	(1,170,341.43)	(48,776.00)	0.00				(1,219,117.43)
OTHER STORAGE							
TRANSMISSION							
DISTRIBUTION							
GENERAL							
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - GAS	(1,170,341.43)	(48,776.00)	0.00	0.00	0.00	0.00	(1,219,117.43)

LOUISVILLE GAS AND ELECTRIC - INDIANA
COMMON PLANT
AS OF DECEMBER 31, 2005

	NET BALANCE FIRST OF YEAR	YEAR TO DATE				NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS	ADJUSTMENTS			
GENERAL PLANT	773,554.64					773,554.64	(236,125.03)	537,429.61
339700 COMMUNICATION EQUIPMENT						773,554.64	(236,125.03)	537,429.61
TOTAL GENERAL PLANT	773,554.64	0.00	0.00	0.00	0.00	773,554.64	(236,125.03)	537,429.61
<hr/>								
SUMMARY	773,554.64	0.00	0.00	0.00	0.00	773,554.64	(236,125.03)	537,429.61
101 TOTAL COMMON UTILITY PLANT IN SERVICE								
102 COMMON UTILITY PLANT PURCH. OR SOLD								
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION								
104 COMMON UTILITY PLANT LEASED TO OTHER								
105 COMMON UTILITY PLANT HELD FOR FUTURE USE								
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY								
TOTAL COMMON UTILITY PLANT	773,554.64	0.00	0.00	0.00	0.00	773,554.64	(236,125.03)	537,429.61

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
 AS OF DECEMBER 31, 2005

22.19

RESERVE FOR DEPRECIATION - COMMON

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

COMMON
 STEAM PRODUCTION
 HYDRAULIC PRODUCTION - PROJECT 289
 HYDRAULIC PRODUCTION - NON-PROJECT
 OTHER PRODUCTION
 TRANSMISSION - PROJECT 289
 TRANSMISSION - NON-PROJECT
 DISTRIBUTION
 GENERAL

TOTAL RESERVE FOR DEPRECIATION
 OF PLANT IN SERVICE - ELECTRIC

NET BALANCE FIRST OF YEAR	YEAR TO DATE					OTHER CREDITS	NET BALANCE THIS DATE
	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL		
(207,194.11)	(28,930.92)						(236,125.03)
(207,194.11)	(28,930.92)	0.00	0.00	0.00	0.00	0.00	(236,125.03)

Louisville Gas and Electric Company

Reserve and Accumulated Depreciation Schedules

2006

Louisville Gas and Electric Company
Summary of Utility Plant
December 31, 2006

RESERVE FOR DEPRECIATION OF UTILITY	NET BALANCE FIRST OF YEAR	ACCRUALS	RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	COST OF REMOVAL	SALVAGE	OTHER CREDITS	BALANCE TO DATE
Life Reserves								(649,761.43)	(1,299,559,281.79)
Electric.....	(1,263,468,839.97)	(83,289,984.27)	47,896,046.61	(46,742.73)	-	-	-	-	(2,049,614.55)
Electric - ARO Steam.....	(1,910,908.46)	(154,607.37)	-	15,901.28	-	-	-	-	(15,828.80)
Electric - ARO Hydro.....	(15,828.80)	-	-	-	-	-	-	-	(108,105.20)
Electric - ARO Other Production.....	(108,081.92)	(23.28)	-	-	-	-	-	-	(2,165.47)
Electric - ARO Transmission.....	(1,988.23)	(177.34)	-	-	-	-	-	-	(12,001.89)
Electric - ARO Distribution.....	(11,699.20)	(302.69)	-	-	-	-	-	-	(148,577,916.87)
Gas.....	(142,601,151.03)	(10,596,456.36)	4,496,633.28	123,057.24	-	-	-	-	(392,040.25)
Gas - ARO Underground Storage.....	(356,192.24)	(35,848.01)	-	-	-	-	-	-	(19,101.73)
Gas - ARO Distribution.....	(19,101.73)	-	-	-	-	-	-	-	(1,130.96)
Common - ARO.....	(1,096.64)	(34.32)	-	-	-	17,940.21	-	-	(62,084,425.21)
Common.....	(75,551,792.35)	(7,410,606.28)	19,985,917.12	874,116.09	-	-	-	-	
Total Life Reserve For Depreciation Of Utility Plant In Service.....	(1,484,046,680.57)	(101,488,039.82)	72,378,597.01	966,331.88	-	17,940.21	-	(649,761.43)	(1,512,821,612.72)
Salvage Reserves									(46,966,253.01)
Steam Production.....	(51,342,760.93)	(6,047,456.03)	-	(93,298.55)	-	11,094,842.07	(577,579.57)	-	(522,713.14)
Hydro Production.....	(745,241.61)	-	-	0.11	-	222,528.47	-	-	(2,093,564.72)
Other Production.....	(2,269,098.18)	105,942.22	-	0.06	-	69,591.13	-	-	(16,367,877.32)
Transmission.....	(16,788,594.24)	(523,267.56)	-	0.06	-	956,488.20	(12,503.78)	-	(132,166,536.49)
Distribution.....	(127,742,013.43)	(6,008,292.78)	-	(10,681.30)	-	1,634,974.20	(40,523.18)	-	89,695.45
Distribution General.....	67,869.82	24,285.63	-	-	-	(2,460.00)	-	-	249,305.84
Gas Urdg Storage.....	413,304.11	(224,925.13)	-	(123,299.32)	-	185,943.82	(1,717.64)	-	(2,644,672.08)
Gas Transmission.....	(2,567,109.06)	(103,936.41)	-	-	-	51,392.27	-	-	(47,306,815.37)
Gas Distribution.....	(43,553,889.24)	(4,230,773.96)	-	150,134.85	-	327,712.98	-	-	148,519.46
Gas General.....	108,405.06	41,930.62	-	(1,816.22)	-	-	(40,000.05)	-	(354,458.62)
Common.....	25,330.43	(775,028.90)	-	0.04	-	435,239.86	-	-	
Total Salvage Reserve For Depreciation Of Utility Plant In Service.....	(244,393,797.27)	(17,741,522.30)	-	(103,979.21)	-	14,976,253.00	(672,324.22)	-	(247,935,370.00)
Total Reserves									(1,499,774,246.93)
Electric.....	(1,464,337,185.15)	(95,893,883.37)	47,896,046.61	(134,821.13)	-	13,975,964.07	(630,606.53)	(649,761.43)	(198,542,721.00)
Gas.....	(188,575,734.13)	(15,150,009.25)	4,496,633.28	123,057.67	-	565,049.07	(1,717.64)	-	(62,440,014.79)
Common.....	(75,527,558.56)	(8,185,669.50)	19,985,917.12	874,116.13	-	453,180.07	(40,000.05)	-	
Total Reserve For Depreciation Of Utility Plant In Service.....	(1,728,440,477.84)	(119,229,562.12)	72,378,597.01	862,352.67	-	14,994,193.21	(672,324.22)	(649,761.43)	(1,760,756,982.72)
Retirement Work In Progress									3,768,496.16
108001									(465,950.02)
Electric.....	2,462,846.30	-	-	2,225,343.21	(1,194,347.26)	246,533.91	-	28,120.00	(502,243.45)
Gas.....	(603,385.21)	-	-	408,500.27	(332,641.92)	61,576.84	-	-	2,800,302.69
Common.....	724,649.20	-	-	(1,092,974.26)	(133,918.39)	-	-	-	
Total 108001 RWIP.....	2,584,110.29	-	-	1,540,869.22	(1,660,907.57)	308,110.75	-	28,120.00	
108901									8,273,600.70
Electric.....	13,011,684.16	-	-	1,787,431.88	(11,514,810.94)	8,812,382.08	(734,714.15)	(3,088,372.33)	3,107,219.25
Gas.....	2,645,141.32	-	-	(412,957.23)	(230,689.51)	1,105,724.67	-	4,460.24	(4,637,184.09)
Common.....	(698,394.19)	-	-	(3,777,696.52)	(265,699.54)	173,303.92	(73,158.00)	(3,083,912.09)	6,743,635.86
Total 108901 RWIP.....	14,958,431.29	-	-	(2,403,221.87)	(12,011,199.99)	10,091,410.67	(807,872.15)	(3,055,792.09)	9,543,938.55
Grand Total RWIP.....	17,542,541.58	-	-	(862,352.65)	(13,672,107.56)	10,399,521.42	(807,872.15)	(3,705,553.52)	(1,751,213,044.17)
Ytd Activity	(1,710,897,936.26)	(119,229,562.12)	72,378,597.01	0.02	(13,672,107.56)	25,393,714.63	(1,480,196.37)	(3,705,553.52)	(100.00)
Amortization									(800.00)
Electric.....	(100.00)	-	-	-	-	-	-	-	(15,376,657.84)
Gas.....	(800.00)	-	-	-	-	-	-	-	
Common.....	(16,701,445.80)	(5,867,355.52)	7,192,143.48	-	-	-	-	-	
Total Reserve For Amortization Of Utility Plant In Service.....	(16,702,345.80)	(5,867,355.52)	7,192,143.48	-	-	-	-	-	(15,377,557.84)
Total Reserve For Depreciation and Amortization - Utility Plant In Service.....	(1,727,600,282.06)	(125,096,917.64)	79,570,740.49	0.02	(13,672,107.56)	25,393,714.63	(1,480,196.37)	(3,705,553.52)	(1,766,590,602.01)
Utility Plant at Original Cost Less Reserve For Depreciation and Amortization	2,321,534,575.99								2,357,345,435.58

LOUISVILLE GAS & ELECTRIC COMPANY
RECONCILIATION OF SUMMARY OF UTILITY PLANT REPORT TO INCOME STATEMENT DEPRECIATION AND AMORTIZATION
AS OF DECEMBER 31, 2006

	YTD ACCRUAL RESERVE FOR DEPRECIATION AND AMORTIZATION	YTD ACCRUAL TO ACCOUNT 254	YTD LOCOMOTIVES ACCOUNT 151040	YTD RAILCARS ACCOUNT 151060	YTD GAS PIPELINE ACCOUNT 151061	YTD LOSS ON WATERSIDE CT RETIREMENT 421201	YTD TRANSPORTATION /POE ACCOUNT 184315	ROUNDING	YTD INCOME STATEMENT ACCRUAL & AMORTIZATION	GL TRIAL BALANCE	VARIANCE
								0.05	(56,745,578.14)		
	(56,845,386.63)	25,440.84	13,188.60	112,060.68					(166,533.33)		
Steam Production	(166,533.33)								(323,506.74)		
Steam Production - Asset Retirement Obligation	(323,506.74)								(7,639,079.42)		
Hydro Production					69,278.24	690,191.37			(23.28)		
Hydro Production - Asset Retirement Obligation	(8,398,549.03)								(5,238,404.29)		
Other Production	(23.28)								(177.24)		
Other Production - Asset Retirement Obligation	(5,238,404.29)								(24,619,514.73)		
Transmission	(177.24)								(302.69)		
Transmission - Asset Retirement Obligation	(24,619,514.73)								(152,474.76)		
Distribution	(302.69)										
Distribution - Asset Retirement Obligation	(152,474.76)						84,871.07				
General	(84,871.07)						64,139.58				
Transportation	(64,139.58)						149,010.65	0.05	(94,885,594.62)		
Power Operated Equipment	(95,893,883.37)	25,440.84	13,188.60	112,060.68	69,278.24	690,191.37			(14,875,158.13)		
Total Electric Plant									(35,848.01)		
	(14,820,058.21)	55,099.92									
Gas Plant	(35,848.01)						26,400.38				
Gas Plant - Underground Storage ARO							267,702.65		(14,911,006.14)		
Gas Plant - Distribution ARO	(26,400.38)						294,103.03				
Gas Transportation	(267,702.65)								(8,186,201.33)		
Gas Power Operated Equipment	(15,150,009.25)	55,099.92							(34.32)		
Total Gas Plant									566.15		
	(8,186,201.33)										
Common Plant	(34.32)								(8,185,669.50)		
Common Plant - Asset Retirement Obligation	566.15										
Common Transportation											
Common Operated Equipment	(8,185,669.50)								(117,982,270.26)	117,982,270.26	0.00
Total Common Plant											
	(119,229,562.12)								(5,867,355.52)	5,867,355.52	0.00
Total Accrual of Utility Plant In Service									(123,849,625.78)	123,849,625.78	0.00
	(5,867,355.52)										
Total Amortization of Utility Plant In Service											
	(125,096,917.64)										
Total Accrual and Amortization of Utility Plant In Service											

	Total	Common Allocated	Grand Total	Income Stmt	Variance
Electric	(94,885,594.62)	(6,057,395.43)	(100,942,990.05)	100,975,628.79	32,638.74
Gas	(14,911,006.14)	(2,128,274.07)	(17,039,280.21)	17,006,641.47	(32,638.74)

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2006

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
INTANGIBLE PLANT							
130100 ORGANIZATION - PROJECT 289	2,240.29				2,240.29		2,240.29
130200 FRANCHISES AND CONSENTS	100.00				100.00	(100.00)	
TOTAL INTANGIBLE PLANT	2,340.29				2,340.29	(100.00)	2,240.29
PRODUCTION PLANT							
STEAM PLANT							
131020 LAND	6,303,853.30			398,964.62	6,303,853.30		6,303,853.30
131100 STRUCTURES AND IMPROVEMENTS	328,199,192.68	1,096,688.15	(697,723.53)	6,791,833.44	328,598,157.30	(195,046,884.34)	133,551,272.96
131200 BOILER PLANT EQUIPMENT	1,223,884,557.11	34,503,805.92	(27,711,972.48)	672,188.73	1,230,676,390.55	(522,819,607.42)	707,856,783.13
131400 TURBOGENERATOR UNITS	198,652,503.68	3,637,210.75	(2,965,022.02)	(1,043,303.53)	199,324,692.41	(116,619,458.06)	82,705,234.35
131500 ACCESSORY ELECTRIC EQUIPMENT	163,749,803.03	2,608.30	(1,043,303.53)	(45,610.78)	162,709,107.80	(100,950,177.38)	61,758,930.42
131600 MISCELLANEOUS POWER PLANT EQUIPMENT	11,994,155.35	39,683.46	(85,294.24)		11,948,544.57	(4,480,132.32)	7,468,412.25
131700 ASSET RETIREMENT OBLIGATIONS STEAM PLANT	5,697,179.40				5,697,179.40	(2,077,441.79)	3,619,737.61
TOTAL STEAM PRODUCTION PLANT	1,938,481,244.55	39,279,996.58	(32,503,315.80)	6,776,680.78	1,945,257,925.33	(941,993,701.31)	1,003,264,224.02
HYDRAULIC PLANT							
PROJECT 289							
133020 LAND	7.00		(7,649.96)	(7,649.96)	7.00		7.00
133100 STRUCTURES AND IMPROVEMENTS	5,419,957.65		(28,263.89)	(28,263.89)	5,412,307.69	(5,583,680.53)	(171,372.84)
133200 RESERVOIRS, DAMS AND WATERWAYS	4,977,441.24		(6,705.31)	(6,705.31)	4,949,177.35	(398,171.27)	4,551,006.08
133300 WATERWHEELS, TURBINES AND GENERATORS	2,681,284.93		(154,675.70)	(154,675.70)	2,674,579.62	(2,747,041.37)	(72,461.75)
133400 ACCESSORY ELECTRIC EQUIPMENT	4,547,551.41		(6,783.70)	(6,783.70)	4,392,875.71	(859,629.55)	3,533,246.16
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	177,962.95				171,179.25	(84,188.84)	86,990.41
133600 ROADS, RAILROADS AND BRIDGES	178,846.99				178,846.99	(220,176.42)	(41,329.43)
TOTAL HYDRAULIC PLANT-PROJECT 289	17,983,052.17		(204,078.56)	(204,078.56)	17,778,973.61	(9,892,887.98)	7,886,085.63
OTHER THAN PROJECT 289							
133020 LAND	6.00				6.00		6.00
133100 STRUCTURES AND IMPROVEMENTS	65,796.14				65,796.14	(35,437.83)	30,358.31
133500 MISCELLANEOUS POWER PLANT EQUIPMENT	7,813.67				7,813.67	(2,066.52)	5,747.15
133600 ROADS, RAILROADS AND BRIDGES	1,133.98				1,133.98	(830.63)	303.35
133700 ASSET RETIREMENT OBLIGATIONS HYDRO PLANT	31,162.95				31,162.95	(15,828.80)	15,334.15
TOTAL HYDRAULIC PLANT - OTHER THAN PROJECT 289	105,912.74				105,912.74	(54,163.78)	51,748.96
TOTAL HYDRAULIC PRODUCTION PLANT	18,088,964.91		(204,078.56)	(204,078.56)	17,884,886.35	(9,947,051.76)	7,937,834.59

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2006

22.4

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
PRODUCTION PLANT							
OTHER PRODUCTION PLANT							
134020 LAND	41,125.94	8,132.93		8,132.93	49,258.87		49,258.87
134100 STRUCTURES AND IMPROVEMENTS	15,250,788.46	72,488.92	(482,673.47)	(410,184.55)	14,840,603.91	(1,909,240.62)	12,931,363.29
134200 FUEL HOLDERS, PRODUCERS AND ACCESS.	7,374,307.49	5,896.12	(120,034.85)	(114,138.73)	7,260,168.76	(1,242,828.00)	6,017,340.76
134300 PRIME MOVERS	151,844,709.92	5,137,023.87	(6,824,068.30)	(1,687,044.43)	150,157,665.49	(21,056,196.02)	129,101,469.47
134400 GENERATORS	33,175,439.19		(451,117.33)	(451,117.33)	32,724,321.86	(11,744,060.76)	20,980,261.10
134500 ACCESSORY ELECTRIC EQUIPMENT	16,761,121.20		(360,897.21)	(360,897.21)	16,400,223.99	(2,588,176.01)	13,812,047.98
134600 MISC. POWER PLANT EQUIPMENT	3,732,091.09		(24,766.29)	(24,766.29)	3,707,324.80	(699,510.25)	3,007,814.55
134700 ASSET RETIRE. OBLIGATIONS OTHER PRODUCTION PLANT	297,215.31				297,215.31	(108,105.20)	189,110.11
TOTAL OTHER PRODUCTION PLANT	228,476,798.60	5,223,541.84	(8,263,557.45)	(3,040,015.61)	225,436,782.99	(39,348,116.86)	186,088,666.13
TOTAL PRODUCTION PLANT	2,185,047,008.06	44,503,538.42	(40,970,951.81)	3,532,586.61	2,188,579,594.67	(991,288,869.93)	1,197,290,724.74
TRANSMISSION PLANT							
PROJECT 289							
135310 STATION EQUIP.-NON SYS CONTROL/COMM.	1,108,850.33				1,108,850.33	(397,229.72)	711,620.61
135600 OVERHEAD CONDUCTORS AND DEVICES	16,389.51				16,389.51	(14,738.10)	1,651.41
TOTAL TRANSMISSION PLANT-PROJECT 289	1,125,239.84				1,125,239.84	(411,967.82)	713,272.02
OTHER THAN PROJECT 289							
135020 LAND	744,530.03				744,530.03		744,530.03
135010 LAND RIGHTS	2,127,673.77				2,127,673.77	(953,258.25)	1,174,415.52
135210 STRUCT & IMPROVE-NON SYS CONT./COMM.	3,003,276.29	85,642.68	(1,392.15)	84,250.53	3,087,526.82	(1,614,206.28)	1,473,320.54
135310 STATION EQUIP.-NON SYS CONTROL/COMM.	121,367,017.19	1,294,171.30	(2,132,127.67)	(837,956.37)	120,529,060.82	(66,424,407.30)	54,104,653.52
135400 TOWERS AND FIXTURES	18,583,342.66	22,848.65		22,848.65	18,606,191.31	(16,093,241.56)	2,512,949.75
135500 POLES AND FIXTURES	30,725,286.41	915,383.03	(243,925.39)	671,457.64	31,396,744.05	(12,748,955.78)	18,647,788.27
135600 OVERHEAD CONDUCTORS AND DEVICES	32,297,055.34	872,271.53	(187,303.74)	684,967.79	32,982,023.13	(17,279,938.86)	15,702,084.27
135700 UNDERGROUND CONDUIT	1,880,752.49				1,880,752.49	(445,470.76)	1,435,281.73
135800 UNDERGROUND CONDUCTORS & DEVICES	5,324,813.93		(20,825.16)	(20,825.16)	5,303,988.77	(1,567,759.78)	3,736,228.99
135910 ASSET RETIRE. OBLIGATIONS TRANS. PLANT	5,686.67				5,686.67	(2,165.47)	3,521.20
TOTAL TRANSMISSION PLANT - OTHER THAN PROJECT 289	216,059,434.78	3,190,317.19	(2,585,574.11)	604,743.08	216,664,177.86	(117,129,404.04)	99,534,773.82
TOTAL TRANSMISSION PLANT	217,184,674.62	3,190,317.19	(2,585,574.11)	604,743.08	217,789,417.70	(117,541,371.86)	100,248,045.84

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
ELECTRIC PLANT
AS OF DECEMBER 31, 2006

22.5

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
DISTRIBUTION PLANT							
136020	1,984,544.32				1,984,544.32		1,984,544.32
136100	LAND						1,619,614.50
136100	STRUCTURES AND IMPROVEMENTS	6,346,414.91	89,523.54	(19,330.22)	70,193.32	(4,796,993.73)	1,619,614.50
136200	STATION EQUIPMENT	82,269,462.69	3,958,967.98	(639,554.25)	3,319,413.73	(46,104,181.64)	39,484,694.78
136400	POLES, TOWERS AND FIXTURES	101,355,928.60	1,829,250.79	(57,426.47)	1,771,824.32	(57,472,587.08)	45,655,165.84
136500	OVERHEAD CONDUCTORS AND DEVICES	166,259,529.20	6,844,928.01	(95,400.17)	6,749,527.84	(80,947,113.89)	92,061,943.15
136600	UNDERGROUND CONDUIT	61,734,265.50				(22,506,112.79)	39,228,152.71
136700	UNDERGROUND CONDUCTORS & DEVICES	88,735,921.47	1,278,401.09	(5,805.45)	1,272,595.64	(39,454,567.86)	50,553,949.25
136810	LINE TRANSFORMERS	93,929,091.68	4,292,672.16	(881,630.61)	3,411,041.55	(46,958,953.08)	50,381,180.15
136820	LINE TRANSFORMER INSTALLATIONS	10,220,926.93	531,589.31	(110,306.66)	421,282.65	(3,548,576.02)	7,093,633.56
136910	UNDERGROUND SERVICES	3,524,837.30		(689.20)	(689.20)	(1,645,420.14)	1,878,727.96
136920	OVERHEAD SERVICES	21,039,218.33		(17.66)	(17.66)	(15,017,775.20)	6,021,425.47
137010	METERS	26,583,543.53	603,723.19	(1,626,634.94)	(1,022,911.75)	(11,319,832.32)	14,240,799.46
137020	METER INSTALLATIONS	8,954,353.97	276,847.31	(409,163.02)	(132,315.71)	(3,423,546.81)	5,398,491.45
137310	OVERHEAD STREET LIGHTING	23,853,371.50	572.15	(81,276.06)	(80,703.91)	(14,545,574.10)	9,227,093.49
137320	UNDERGROUND STREET LIGHTING	40,861,843.31	123,936.41	(103,176.88)	20,759.53	(15,306,456.61)	25,576,146.23
137340	STREET LIGHTING TRANSFORMERS	87,546.43				(89,350.62)	(1,804.19)
137400	ASSET RETIRE. OBLIGATIONS DIST PLANT	37,674.29				(12,001.89)	25,672.40
	TOTAL DISTRIBUTION PLANT	737,778,473.96	19,830,411.94	(4,030,411.59)	15,800,000.35	(363,149,043.78)	390,429,430.53
GENERAL PLANT							
139210	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	9,234,866.10	68,386.72	(42,875.87)	68,386.72	(9,145,641.27)	157,611.55
139220	TRANSPORTATION EQUIPMENT - TRAILERS	630,394.08		(92,702.07)	(42,875.87)	(198,471.33)	389,046.88
139400	TOOLS, SHOP, AND GARAGE EQUIPEMNT	3,234,459.51	14,175.11	(36,895.28)	(78,526.96)	(960,828.74)	2,195,103.81
139500	LABORATORY EQUIPMENT	1,540,726.61		(26,090.46)	(36,895.28)	(805,479.92)	698,351.41
139610	POWER OPERATED EQUIP. - HOURLY RATED	2,204,638.36	106,588.30	(94,399.14)	80,497.84	(2,231,070.53)	54,065.67
139620	POWER OPERATED EQUIPMENT - OTHER	145,466.83			(94,399.14)	(21,150.63)	29,917.06
	TOTAL GENERAL PLANT	16,990,551.49	189,150.13	(292,962.82)	(103,812.69)	(13,362,642.42)	3,524,096.38
SUMMARY							
101	TOTAL ELECTRIC PLANT IN SERVICE	3,157,003,048.42	67,713,417.68	(47,879,900.33)	19,833,517.35	(1,485,342,027.99)	1,691,494,537.78
102	ELECTRIC PLANT PURCHASED OR SOLD						
103	ELECTRIC PLANT IN PROCESS OF RECLASSIFICATION						
104	ELECTRIC PLANT LEASED TO OTHERS						
105	ELECTRIC PLANT HELD FOR FUTURE USE	696,771.66	9,502.15		9,502.15	706,273.81	706,273.81
107	CONSTRUCTION WORK IN PROGRESS-ELEC.	115,274,939.42	38,920,010.88		38,920,010.88	154,194,950.30	154,194,950.30
	TOTAL ELECTRIC PLANT	3,272,974,759.50	106,642,930.71	(47,879,900.33)	154,522,831.04	(1,485,342,027.99)	1,846,395,761.89

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 PLANT HELD FOR FUTURE USE
 AS OF DECEMBER 31, 2006

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
ELECTRIC							
DISTRIBUTION							
136025 SUBSTATION LAND - CLASS A	685,389.54	9,502.15		9,502.15	0.01	694,891.70	694,891.70
136205 SUBSTATION EQUIPMENT-CLASS A	11,382.12				(0.01)	11,382.11	11,382.11
TOTAL DISTRIBUTION PLANT	696,771.66	9,502.15		9,502.15		706,273.81	706,273.81
TOTAL ELECTRIC PLANT HELD FOR FUTURE USE	696,771.66	9,502.15		9,502.15		706,273.81	706,273.81

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
NONUTILITY PROPERTY
AS OF DECEMBER 31, 2006

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
COAL MINE	4,184.17				4,184.17		4,184.17
LAND	63,110.43				63,110.43	(63,110.43)	
MINERAL RIGHTS	249.93				249.93	(249.93)	
RIGHTS OF WAY							
TOTAL COAL MINE	67,544.53				67,544.53	(63,360.36)	4,184.17
OTHER NONUTILITY PROPERTY	13,153.30				13,153.30		13,153.30
MISCELLANEOUS LAND							
TOTAL NONUTILITY PROPERTY	80,697.83				80,697.83		17,337.47
<hr/>							
RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY					(63,360.36)		
COAL MINE		(63,360.36)					
TOTAL RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION OF NONUTILITY PROPERTY		(63,360.36)			(63,360.36)		
TOTAL NONUTILITY PROPERTY LESS RESERVE FOR DEPRECIATION, DEPLETION AND AMORTIZATION	17,337.47				17,337.47		

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
AS OF DECEMBER 31, 2006

22.8

RESERVE FOR DEPRECIATION - ELECTRIC

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE							NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL	
ELECTRIC								
STEAM PRODUCTION	(926,000,957.08)	(56,845,386.63)	32,503,315.80	(90,494.11)		(577,579.57)	11,094,842.07	(939,916,259.52)
STEAM PRODUCTION-ARO	(1,910,908.46)	(166,533.33)					222,528.47	(2,077,441.79)
HYDRAULIC PRODUCTION - PROJECT 289	(9,997,303.71)	(322,191.30)	204,078.56					(9,892,887.98)
HYDRAULIC PRODUCTION - NON-PROJECT	(37,019.54)	(1,315.44)						(38,334.98)
HYDRAULIC PRODUCTION - ARO	(15,828.80)							(15,828.80)
OTHER PRODUCTION	(39,174,622.21)	(8,398,549.03)	8,263,557.45	11.00			69,591.13	(39,240,011.66)
OTHER PRODUCTION - ARO	(108,081.92)	(23.28)						(108,105.20)
TRANSMISSION - PROJECT 289	(386,649.98)	(25,317.84)						(411,967.82)
TRANSMISSION - NON-PROJECT	(115,299,670.20)	(4,705,781.65)	2,585,574.11	0.06		(12,503.78)	954,904.32	(117,127,238.57)
TRANSMISSION - ARO	(1,988.23)	(177.24)						(2,165.47)
DISTRIBUTION	(344,098,051.69)	(24,619,514.73)	4,030,411.59	(44,338.08)		(40,523.18)	1,634,974.20	(363,137,041.89)
DISTRIBUTION - ARO	(11,699.20)	(302.69)						(12,001.89)
GENERAL	(2,108,548.51)	(152,474.76)	266,872.36	10,680.29			(2,460.00)	(1,985,930.62)
TOTAL ELECTRIC EXCL. TRANSP. & P.O. EQ.	(1,439,151,329.53)	(95,237,567.92)	47,853,809.87	(124,140.84)		(630,606.53)	13,974,380.19	(1,473,965,216.19)
TOTAL TRANSPORTATION EQUIPMENT	(9,050,089.91)	(84,871.07)		(10,680.29)				(9,145,641.27)
TOTAL POWER OPERATED EQUIPMENT	(2,193,021.41)	(64,139.58)	26,090.46					(2,231,070.53)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	(1,450,394,440.85)	(95,386,578.57)	47,879,900.33	(134,821.13)		(630,606.53)	13,974,380.19	(1,485,341,927.99)
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC. ELECTRIC	(100.00)							(100.00)
RETIREMENT WORK IN PROGRESS: PRODUCTION TRANSMISSION DISTRIBUTION								
108001 RWIP	2,462,846.30			2,225,343.21	(1,194,347.26)		246,533.91	3,768,496.16
108901 RWIP	13,011,684.16			1,787,431.88	(11,514,810.94)	(734,714.15)	8,812,382.08	8,273,600.70
TOTAL RETIREMENT WORK IN PROGRESS	15,474,530.46			4,012,775.09	(12,709,158.20)	(734,714.15)	9,058,915.99	12,042,096.86

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2006

22.9

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
INTANGIBLE PLANT							
230100 ORGANIZATION							
230200 FRANCHISES AND CONSENTS	1,187.49				1,187.49	(800.00)	387.49
235210 STORAGE LEASEHOLDS AND RIGHTS							
235020 RIGHTS OF WAY							
TOTAL INTANGIBLE PLANT	1,187.49				1,187.49	(800.00)	387.49
NATURAL GAS STORAGE PLANT							
UNDERGROUND							
235010 LAND	29,500.57				29,500.57		29,500.57
235020 RIGHTS OF WAY	63,678.14				63,678.14	(70,451.45)	(6,773.31)
235120 COMPRESSOR STATION STRUCTURES	1,684,835.79	14,093.03	(2,609.62)	11,483.41	1,696,319.20	(743,280.68)	953,038.52
235130 MEASURING AND REGULATING STATION STRUCTURES	10,879.61				10,879.61	(14,474.09)	(3,594.48)
235140 OTHER STRUCTURES	913,915.96	14,041.34	(2,233.59)	11,807.75	925,723.71	(758,222.86)	167,500.85
235210 STORAGE LEASEHOLDS AND RIGHTS	548,241.14				548,241.14	(569,589.96)	(21,348.82)
235220 RESERVOIRS	400,511.40				400,511.40	(446,270.04)	(45,758.64)
235230 NONRECOVERABLE NATURAL GAS	9,648,855.00				9,648,855.00	(7,165,704.77)	2,483,150.23
235240 WELL DRILLING	2,217,899.70				2,217,899.70	(2,432,152.58)	(214,252.88)
235250 WELL EQUIPMENT	5,675,813.43		(39,093.01)	(39,093.01)	5,636,720.42	(408,499.95)	5,228,220.47
235300 LINES	11,419,066.42	657,685.22	(127,975.80)	529,709.42	11,948,775.84	(6,056,997.33)	5,891,778.51
235400 COMPRESSOR STATION EQUIPMENT	14,135,897.87	199,131.48	(373,259.43)	(174,127.95)	13,961,769.92	(6,978,446.10)	6,983,323.82
235500 MEASURING AND REGULATING EQUIPMENT	383,612.92	11,339.56	(7,143.01)	4,196.55	387,809.47	(252,799.40)	135,010.07
235600 PURIFICATION EQUIPMENT	10,103,108.24	44,793.23	(213,644.62)	(168,851.39)	9,934,256.85	(4,093,652.45)	5,840,604.40
235700 OTHER EQUIPMENT	939,599.05	(681.24)	(4,811.50)	(5,492.74)	934,106.31	(253,604.26)	680,502.05
235800 ASSET RETIRE. OBLIGATIONS GAS PLANT	504,097.67	37,034.35		37,034.35	541,132.02	(392,040.25)	149,091.77
TOTAL UNDERGROUND STORAGE PLANT	58,679,512.91	977,436.97	(770,770.58)	206,666.39	58,886,179.30	(30,636,186.17)	28,249,993.13
TOTAL NATURAL GAS STORAGE PLANT	58,679,512.91	977,436.97	(770,770.58)	206,666.39	58,886,179.30	(30,636,186.17)	28,249,993.13
TRANSMISSION PLANT							
236520 RIGHTS OF WAY	220,659.05				220,659.05	(199,376.72)	21,282.33
236700 MAINS	12,681,770.18		(8,337.88)	(8,337.88)	12,673,432.30	(11,578,243.88)	1,095,188.42
TOTAL TRANSMISSION PLANT	12,902,429.23		(8,337.88)	(8,337.88)	12,894,094.42	(11,777,620.60)	1,116,473.82

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
GAS PLANT
AS OF DECEMBER 31, 2006

22.10

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
DISTRIBUTION PLANT							
237411	CITY GATE CHECK STATION LAND	7,586.67					7,586.67
237412	OTHER DISTRIBUTION LAND	54,457.06					54,457.06
237422	OTHER DISTRIBUTION LAND RIGHTS	74,018.23				(72,774.60)	1,243.63
237510	CITY GATE STATION STRUC. & IMPROV.	208,568.17	15,450.34	15,450.34		(112,776.37)	111,242.14
237520	OTHER DISTRIBUTION STRUC. & IMPROV.	788,487.48		(283,132.53)	(283,132.53)	(96,486.38)	408,868.57
237600	MAINS	255,102,583.68	7,355,027.49	(123,037.60)	7,231,989.89	(92,672,521.93)	169,662,051.64
237800	MEASURING AND REGULATING STATION EQUIPMENT-GENERAL	8,185,410.42	295,129.71	(627,149.99)	(332,020.28)	(1,861,535.70)	5,991,854.44
237900	MEASURING AND REGULATING STATION EQUIPMENT-CITY GATE STATIONS	3,804,863.88	52,150.90	(10,469.81)	41,681.09	(1,301,802.57)	2,544,742.40
238000	SERVICES	124,500,011.27	866,419.84	(340.40)	866,079.44	(47,057,089.07)	78,309,001.64
238100	METERS	20,289,466.73	2,482,164.38	(1,599,911.61)	882,252.77	(3,872,688.21)	17,299,031.29
238200	METER INSTALLATIONS	6,689,543.11	2,986,355.53	(539,557.53)	2,446,798.00	817,816.85	9,954,157.96
238300	HOUSE REGULATORS	3,814,799.83	1,160,605.16	(377,313.38)	783,291.78	(1,202,929.89)	3,395,161.72
238400	HOUSE REGULATOR INSTALLATIONS	2,152,161.59	2,637,856.43	(82,659.37)	2,555,197.06	(513,259.27)	4,194,099.38
238500	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	159,361.88				(114,536.95)	44,824.93
238700	OTHER EQUIPMENT	65,051.59		(13,939.25)	(13,939.25)	(10,802.29)	40,310.05
238800	ASSET RETIRE. OBLIGATIONS GAS PLANT	30,769.48				(19,101.73)	11,667.75
	TOTAL DISTRIBUTION PLANT	425,927,141.07	17,851,159.78	(3,657,511.47)	14,193,648.31	(148,090,488.11)	292,030,301.27
GENERAL PLANT							
239210	TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	2,912,871.76				(2,888,073.81)	24,797.95
239220	TRANSPORTATION EQUIPMENT - TRAILERS	457,352.26	18,792.85	(1,330.75)	17,462.10	(131,916.21)	342,898.15
239400	TOOLS, SHOP, AND GARAGE EQUIPMENT	3,202,511.85	307,242.74	(34,976.74)	272,266.00	(1,139,400.82)	2,335,377.03
239500	LABORATORY EQUIPMENT	435,068.27	13,204.29	(8,759.36)	4,444.93	(258,929.94)	180,583.26
239610	POWER OPERATED EQUIP. - HOURLY RATED	2,681,186.89	309,700.51		309,700.51	(2,337,592.26)	653,295.14
239620	POWER OPERATED EQUIPMENT - OTHER	58,118.72		(4,749.42)	(4,749.42)	(32,878.93)	20,490.37
	TOTAL GENERAL PLANT	9,747,109.75	648,940.39	(49,816.27)	599,124.12	(6,788,791.97)	3,557,441.90
SUMMARY							
101	TOTAL GAS PLANT IN SERVICE	507,257,380.45	19,477,537.14	(4,486,436.20)	14,991,100.94	(197,293,886.85)	324,954,594.54
102	GAS PLANT PURCHASED OR SOLD						
103	GAS PLANT IN PROGRESS OF RECLASSIFICATION						
104	GAS PLANT LEASED TO OTHERS						
105	GAS PLANT HELD FOR FUTURE USE						
107	CONSTRUCTION WORK IN PROGRESS - GAS	41,001,588.74	13,521,650.50		13,521,650.50		54,523,239.24
117	GAS STORED UNDERGROUND/NON-CURRENT	1,882,661.68					1,882,661.68
	TOTAL GAS PLANT	550,141,630.87	32,999,187.64	(4,486,436.20)	37,485,623.84	(197,293,886.85)	381,360,495.46

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2006

22.11

RESERVE FOR DEPRECIATION - GAS

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE							NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL	
GAS								
UNDERGROUND STORAGE	(29,886,392.35)	(1,312,750.33)	770,770.58			(1,717.64)	185,943.82	(30,244,145.92)
UNDERGROUND STORAGE - ARO	(356,192.24)	(35,848.01)						(392,040.25)
OTHER STORAGE								
TRANSMISSION	(11,595,681.94)	(241,668.81)	8,337.88				51,392.27	(11,777,620.60)
DISTRIBUTION	(139,086,087.60)	(13,093,580.90)	3,657,511.47	123,057.67			327,712.98	(148,071,386.38)
DISTRIBUTION - ARO	(19,101.73)							(19,101.73)
GENERAL	(1,481,597.80)	(131,344.37)	49,816.27					(1,563,125.90)
TOTAL GAS EXCL. TRANSP. & P.O. EQ.	(182,425,053.66)	(14,815,192.42)	4,486,436.20	123,057.67		(1,717.64)	565,049.07	(192,067,420.78)
TOTAL TRANSPORTATION EQUIPMENT	(2,861,673.43)	(26,400.38)						(2,888,073.81)
TOTAL POWER OPERATED EQUIPMENT	(2,069,889.61)	(267,702.65)						(2,337,592.26)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - GAS	(187,356,616.70)	(15,109,295.45)	4,486,436.20	123,057.67		(1,717.64)	565,049.07	(197,293,086.85)
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC.								
GAS								
UNDERGROUND STORAGE LAND AND LAND RIGHTS								
OTHER	(800.00)							(800.00)
TOTAL RESERVE FOR AMORTIZATION OF PLANT IN SERVICE - GAS	(800.00)							(800.00)
108001 RWIP	(603,385.21)			408,500.27	(332,641.92)		61,576.84	(465,950.02)
108901 RWIP	2,645,141.32			(412,957.23)	(230,689.51)		1,105,724.67	3,107,219.25
TOTAL RETIREMENT WORK IN PROGRESS	2,041,756.11			(4,456.96)	(563,331.43)		1,167,301.51	2,641,269.23

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
COMMON UTILITY PLANT
AS OF DECEMBER 31, 2006

22.12

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
INTANGIBLE PLANT					83,782.29		83,782.29
330100 ORGANIZATION	83,782.29				4,200.00	(4,200.00)	
330200 FRANCHISES AND CONSENTS	4,200.00				28,789,522.78	(15,372,457.84)	13,417,064.94
330300 MISC. INTANGIBLE PLANT-SOFTWARE	32,617,915.78	3,284,950.88	(7,113,343.88)	(3,828,393.00)			
330320 MISC. INTANGIBLE PLANT-LAW	78,799.60		(78,799.60)	(78,799.60)			
TOTAL INTANGIBLE PLANT	32,784,697.67	3,284,950.88	(7,192,143.48)	(3,907,192.60)	28,877,505.07	(15,376,657.84)	13,500,847.23
GENERAL PLANT					1,711,503.17		1,711,503.17
338910 LAND	1,711,503.17				202,094.94	(109,528.92)	92,566.02
338920 LAND RIGHTS	202,094.94				49,324,994.87	(14,956,690.49)	34,368,304.38
339010 STRUCT. AND IMPROV.-G.O.	50,128,880.94	667,666.61	(1,471,552.68)	(803,886.07)	431,573.62	751,200.89	1,182,774.51
339020 STRUCT. AND IMPROV.-TRANS.	664,851.59		(233,277.97)	(233,277.97)	10,929,115.62	(6,757,967.82)	4,171,147.80
339030 STRUCT. AND IMPROV.-STORES	10,915,106.09	23,335.76	(9,326.23)	14,009.53	589,466.55	(301,465.37)	288,001.18
339040 STRUCT. AND IMPROV.-SHOPS	589,466.55				855,652.76	(141,683.70)	713,969.06
339060 STRUCT. AND IMPROV.-MICROWAVE	855,652.76				12,512,975.03	(4,966,943.88)	7,546,031.15
339110 OFFICE FURNITURE	12,418,408.19	219,963.22	(125,396.38)	94,566.84	3,342,047.27	(1,331,500.54)	2,010,546.73
339120 OFFICE EQUIPMENT	3,219,452.04	146,810.79	(24,215.56)	122,595.23	19,219,230.99	(14,002,468.94)	5,216,762.05
339130 COMPUTER EQUIPMENT	28,384,249.09	2,046,331.38	(11,211,349.48)	(9,165,018.10)	1,217,943.37	(520,383.18)	697,560.19
339131 PERSONAL COMPUTERS	6,812,152.67	584,503.80	(6,178,713.10)	(5,594,209.30)	2,554,508.44	(840,001.26)	1,714,507.18
339140 SECURITY EQUIPMENT	2,404,667.82	149,840.62		149,840.62			
339210 TRANSPORTATION EQUIPMENT - CARS AND TRUCKS	132,669.00				132,669.00	(132,102.85)	566.15
339220 TRANSP. EQUIPMENT - TRAILERS	63,404.28				63,404.28	(27,626.14)	35,778.14
339300 STORES EQUIPMENT	1,219,731.14		(9,077.74)	(9,077.74)	1,210,653.40	(414,143.96)	796,509.44
339400 TOOLS, SHOP, AND GARAGE EQUIP.	3,612,404.79	26,895.05	(168,935.56)	(142,040.51)	3,470,364.28	(672,909.60)	2,797,454.68
339500 LABORATORY EQUIPMENT	22,281.50				22,281.50	(8,636.69)	13,644.81
339610 POWER OPERATED EQUIP. - TRMS	258,314.21				258,314.21	(258,314.21)	
339620 POWER OPERATED EQUIP. - OTHER	14,147.08				14,147.08	(6,944.98)	7,202.10
339700 COMMUNICATION EQUIPMENT	34,923,081.16	794,087.04	(123,119.38)	670,967.66	35,594,048.82	(12,475,032.53)	23,119,016.29
339710 COMMUNICATION EQUIP.-COMPUTER	5,682,796.69	101,957.80		101,957.80	5,784,754.49	(5,155,518.92)	629,235.57
339800 MISCELLANEOUS EQUIPMENT	1,025,343.09		(430,953.04)	(430,953.04)	594,390.05	154,835.21	749,225.26
339910 ASSET RETIRE. OBLIGATIONS COMMON PLANT	3,735.16				3,735.16	(1,130.96)	2,604.20
TOTAL GENERAL PLANT	165,264,393.95	4,761,392.07	(19,985,917.12)	(15,224,525.05)	150,039,868.90	(62,174,958.84)	87,864,910.06
SUMMARY							
101 TOTAL COMMON UTILITY PLANT IN SERVICE	198,049,091.62	8,046,342.95	(27,178,060.60)	(19,131,717.65)	178,917,373.97	(77,551,616.68)	101,365,757.29
102 COMMON UTILITY PLANT PURCH. OR SOLD							
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION							
104 COMMON UTILITY PLANT LEASED TO OTHER							
105 COMMON UTILITY PLANT HELD FOR FUTURE USE							
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY	2,376,403.70	6,308,487.16		6,308,487.16	8,684,890.86		8,684,890.86
TOTAL COMMON UTILITY PLANT	200,425,495.32	14,354,830.11	(27,178,060.60)	(12,823,230.49)	187,602,264.83	(77,551,616.68)	110,050,648.15

LOUISVILLE GAS AND ELECTRIC - KENTUCKY
RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
AS OF DECEMBER 31, 2006

22.13

RESERVE FOR DEPRECIATION - COMMON EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE							NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	RWIP TRANSFERS OUT	SALVAGE	COST OF REMOVAL	
COMMON UTILITY								
COMMON - ARO	(1,096.64)	(34.32)						(1,130.96)
GENERAL EXCL. TRANSP. & P. O.	(74,899,353.68)	(8,157,270.41)	19,985,917.12	874,116.13		(40,000.05)	453,180.07	(61,783,410.82)
TOTAL TRANSPORTATION EQUIPMENT	(132,669.00)	566.15						(132,102.85)
TOTAL POWER OPERATED EQUIPMENT	(258,314.21)							(258,314.21)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - COMMON	(75,291,433.53)	(8,156,738.58)	19,985,917.12	874,116.13		(40,000.05)	453,180.07	(62,174,958.84)
RESERVE FOR AMORTIZATION FRANCHISES AND CONSENTS, ETC. COMMON UTILITY	(16,701,445.80)	(5,867,355.52)	7,192,143.48					(15,376,657.84)
108001 RWIP	724,649.20			(1,092,974.26)	(133,918.39)			(502,243.45)
108901 RWIP	(698,394.19)			(3,777,696.52)	(265,699.54)	(73,158.00)	173,303.92	(4,637,184.09)
TOTAL RETIREMENT WORK IN PROGRESS	26,255.01			(4,870,670.78)	(399,617.93)	(73,158.00)	173,303.92	(5,139,427.54)

LOUISVILLE GAS AND ELECTRIC - INDIANA
ELECTRIC PLANT
AS OF DECEMBER 31, 2006

22.14

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
TRANSMISSION PLANT							
135020 LAND	143,707.75						
135010 LAND RIGHTS	465,100.04						
135210 SUBSTATION STRUCTURES	338,701.07						
135310 SUBSTATION EQUIPMENT	10,583,347.45	39,598.50	(14,269.29)	25,329.21			
135400 TOWERS AND FIXTURES	6,101,677.25		(1,876.99)	(1,876.99)			
135500 POLES AND FIXTURES	1,301,392.50						
135600 OVERHEAD CONDUCTORS AND DEVICES	3,320,899.30						
TOTAL TRANSMISSION PLANT	22,254,825.36	39,598.50	(16,146.28)	23,452.22			
					22,278,277.58	(14,432,318.94)	7,845,958.64
SUMMARY							
101 TOTAL ELECTRIC PLANT IN SERVICE	22,254,825.36	39,598.50	(16,146.28)	23,452.22	22,278,277.58	(14,432,318.94)	7,845,958.64
102 ELECTRIC PLANT PURCHASED OR SOLD							
103 ELECTRIC PLANT IN PROCESS OF RECLASSIFICATION							
104 ELECTRIC PLANT LEASED TO OTHERS							
105 ELECTRIC PLANT HELD FOR FUTURE USE							
107 CONSTRUCTION WORK IN PROGRESS-ELEC.	134,956.49	47,652.07		47,652.07	182,608.56		182,608.56
108 ACCUMULATED RESERVE							
TOTAL ELECTRIC PLANT	22,389,781.85	87,250.57		71,104.29	22,460,886.14	(14,432,318.94)	8,028,567.20

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT IN SERVICE
 AS OF DECEMBER 31, 2006

22.15

RESERVE FOR DEPRECIATION - ELECTRIC

YEAR TO DATE

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	OTHER CREDITS	NET BALANCE THIS DATE
ELECTRIC								
STEAM PRODUCTION								
HYDRAULIC PRODUCTION - PROJECT 289								
HYDRAULIC PRODUCTION - NON-PROJECT								
OTHER PRODUCTION								
TRANSMISSION - PROJECT 289								
TRANSMISSION - NON-PROJECT	(13,942,744.30)	(507,304.80)	16,146.28			1,583.88		(14,432,318.94)
DISTRIBUTION								
GENERAL								
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	(13,942,744.30)	(507,304.80)	16,146.28			1,583.88		(14,432,318.94)

LOUISVILLE GAS AND ELECTRIC - INDIANA
GAS PLANT
AS OF DECEMBER 31, 2006

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
NATURAL GAS STORAGE PLANT UNDERGROUND							
235010 LAND	3,363.50				3,363.50		3,363.50
235140 OTHER STRUCTURES	310,632.78				310,632.78	(48,865.93)	261,766.85
235240 WELL DRILLING	404,997.91				404,997.91	(278,197.06)	126,800.85
235250 WELL EQUIPMENT	515,774.38		(9,732.26)	(9,732.26)	506,042.12	(319,855.24)	186,186.88
235300 LINES	838,433.71		(464.82)	(464.82)	837,968.89	(586,584.21)	251,384.68
235700 OTHER EQUIPMENT	99,105.27				99,105.27	(16,131.71)	82,973.56
TOTAL UNDERGROUND STORAGE PLANT	<u>2,172,307.55</u>		<u>(10,197.08)</u>	<u>(10,197.08)</u>	<u>2,162,110.47</u>	<u>(1,249,634.15)</u>	<u>912,476.32</u>
SUMMARY							
101 TOTAL GAS PLANT IN SERVICE	2,217,188.65		(10,197.08)	(10,197.08)	2,162,110.47	(1,249,634.15)	912,476.32
102 GAS PLANT PURCHASED OR SOLD							
103 GAS PLANT IN PROGRESS OF RECLASSIFICATION							
104 GAS PLANT LEASED TO OTHERS							
105 GAS PLANT HELD FOR FUTURE USE					287,721.00		287,721.00
107 CONSTRUCTION WORK IN PROGRESS - GAS		287,721.00		287,721.00	287,721.00		287,721.00
117 GAS STORED UNDERGROUND/NON-CURRENT	257,328.32				257,328.32		257,328.32
TOTAL GAS PLANT	<u>2,474,516.97</u>	<u>287,721.00</u>	<u>(10,197.08)</u>	<u>277,523.92</u>	<u>2,707,159.79</u>	<u>(1,249,634.15)</u>	<u>1,457,525.64</u>

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF GAS PLANT IN SERVICE
 AS OF DECEMBER 31, 2006

22.17

RESERVE FOR DEPRECIATION - GAS

EXCLUSIVE OF TRANSPORTATION AND
 POWER OPERATED EQUIPMENT

GAS
 UNDERGROUND STORAGE
 OTHER STORAGE
 TRANSMISSION
 DISTRIBUTION
 GENERAL

TOTAL RESERVE FOR DEPRECIATION
 OF PLANT IN SERVICE - GAS

	YEAR TO DATE						NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	
	(1,219,117.43)	(40,713.80)	10,197.08				(1,249,634.15)
	<u>(1,219,117.43)</u>	<u>(40,713.80)</u>	<u>10,197.08</u>				<u>(1,249,634.15)</u>

LOUISVILLE GAS AND ELECTRIC - INDIANA
COMMON PLANT
AS OF DECEMBER 31, 2006

22.18

	NET BALANCE FIRST OF YEAR	YEAR TO DATE			NET BALANCE THIS DATE	RESERVE	NET BOOK VALUE
		DEBITS-GROSS	CREDITS FOR RETIREMENTS	NET ADDITIONS			
GENERAL PLANT							
339700 COMMUNICATION EQUIPMENT	773,554.64						
TOTAL GENERAL PLANT	<u>773,554.64</u>				773,554.64	(265,055.95)	508,498.69
					<u>773,554.64</u>	<u>(265,055.95)</u>	<u>508,498.69</u>
<hr/>							
SUMMARY							
101 TOTAL COMMON UTILITY PLANT IN SERVICE	773,554.64						
102 COMMON UTILITY PLANT PURCH. OR SOLD					773,554.64	(265,055.95)	508,498.69
103 COMMON UTILITY PLANT IN PROCESS OF RECLASSIFICATION							
104 COMMON UTILITY PLANT LEASED TO OTHER							
105 COMMON UTILITY PLANT HELD FOR FUTURE USE							
107 CONSTRUCTION WORK IN PROGRESS - COMMON UTILITY							
TOTAL COMMON UTILITY PLANT	<u>773,554.64</u>				<u>773,554.64</u>	<u>(265,055.95)</u>	<u>508,498.69</u>

LOUISVILLE GAS AND ELECTRIC - INDIANA
 RESERVE FOR DEPRECIATION AND AMORTIZATION OF COMMON PLANT IN SERVICE
 AS OF DECEMBER 31, 2006

22.19

RESERVE FOR DEPRECIATION - COMMON

EXCLUSIVE OF TRANSPORTATION AND POWER OPERATED EQUIPMENT	YEAR TO DATE						NET BALANCE THIS DATE
	NET BALANCE FIRST OF YEAR	ACCRUAL	GROSS RETIREMENTS	TRANSFERS/ ADJUSTMENTS	SALVAGE	COST OF REMOVAL	
COMMON							
STEAM PRODUCTION							
HYDRAULIC PRODUCTION - PROJECT 289							
HYDRAULIC PRODUCTION - NON-PROJECT							
OTHER PRODUCTION							
TRANSMISSION - PROJECT 289							
TRANSMISSION - NON-PROJECT							
DISTRIBUTION							
GENERAL	(236,125.03)	(28,930.92)					(265,055.95)
TOTAL RESERVE FOR DEPRECIATION OF PLANT IN SERVICE - ELECTRIC	(236,125.03)	(28,930.92)					(265,055.95)

LOUISVILLE GAS AND ELECTRIC COMPANY

**Response to the Attorney General's
Initial Requests for Information Dated February 4, 2008**

Case No. 2007-00564

Question No. 23

Witness: Shannon L. Charnas

- Q-23. Provide a summary of annual maintenance expense by USoA account (for all accounts) for the last 20 years. If the requested data is not available for the last 20 years, provide the data for as many years as are available. Please provide data in both hard copy and electronic format.
- A-23. See attached hard copy and electronic Excel file on the attached CD.

Louisville Gas and Electric Company Summary of Annual Maintenance Expense For the Years, 1988 - 2007				
	1988	1989	1990	1991
Steam Power Generation:				
(510) Maint. Supervision and Engineering	2,133,946	1,988,839	1,884,805	2,731,313
(511) Maint. of Structures	2,535,922	2,531,640	2,092,947	2,972,322
(512) Maint. of Boiler Plant	18,602,673	16,230,902	15,679,138	16,348,870
(513) Maint. of Electric Plant	3,014,391	5,414,484	4,144,144	4,831,558
(514) Maint. of Misc. Steam Plant	2,890,645	2,187,612	2,639,383	2,889,181
Total Steam Generation Maintenance	29,177,577	28,353,477	26,440,417	29,773,244
Hydraulic Power Generation:				
(541) Maint. Supervision and Engineering	94,689	51,664	24,733	33,067
(542) Maint. of Structures	83,022	26,490	23,442	58,882
(543) Maint. of Reservoirs, Dams & Waterways	18,432	17,814	3,769	4,280
(544) Maint. of Electric Plant	321,349	94,504	34,072	15,829
(545) Maint. of Misc. Hydraulic Plant	184,810	232,119	353,321	595,661
Total Hydraulic Pwr Generation Maintenance	702,302	422,591	439,337	707,719
Other Power Generation:				
(551) Maint. Supervision and Engineering	893	4,724	948	401
(552) Maint. of Structures	8,070	3,873	12,542	49,061
(553) Maint. of Generating and Electric Plant	60,093	103,697	135,931	282,644
(554) Maint. of Misc. Other Pwr Generation Plant	4,000	79	806	28,550
Total Other Power Generation Maintenance	73,056	112,373	150,227	360,656
Electric Transmission:				
(568) Maint. Supervision and Engineering	78,779	104,011	98,357	101,058
(569) Maint. of Structures	393,236	162,497	185,771	285,255
(570) Maint. of Station Equipment	890,769	805,959	545,574	617,420
(571) Maint. of Overhead Lines	402,819	299,122	412,100	205,625
(572) Maint. of Underground Lines	344	128	63	0
(573) Maint. of Misc. Transmission Plant	8,544	12,986	5,800	2,685
Total Electric Transmission Maintenance	1,774,491	1,384,703	1,247,665	1,212,043
Electric Distribution:				
(590) Maint. Supervision and Engineering	288,902	222,117	167,464	170,893
(591) Maint. of Structures	382,664	538,831	486,074	453,559
(592) Maint. of Station Equipment	758,158	701,254	499,009	589,119
(593) Maint. of Overhead Lines	7,165,003	7,347,686	7,053,408	4,744,585
(594) Maint. of Underground Lines	1,128,356	1,133,770	772,879	807,142
(595) Maint. of Line Transformers	727,284	848,579	833,535	598,139
(596) Maint. of St. Lighting and Signal Systems	679,827	727,593	750,579	647,234
(597) Maint. of Meters	181,011	277,856	318,468	317,169
(598) Maint. of Misc. Distribution Plant	119,277	94,743	133,113	96,033
Total Electric Distribution Maintenance	11,430,482	11,892,429	11,014,529	8,423,873

Louisville Gas and Electric Company Summary of Annual Maintenance Expense For the Years, 1988 - 2007				
	1988	1989	1990	1991
Underground Storage:				
(830) Maint. Supervision and Engineering	27,109	99,803	114,255	72,658
(831) Maint. Of Structures and Improvements	30,862	34,992	12,246	32,692
(832) Maint. Of Reservoirs and Wells	196,901	130,680	174,435	183,924
(833) Maint. Of Lines	155,543	92,013	70,921	129,086
(834) Maint. Of compressor Station Equipment	361,408	281,346	375,254	354,191
(835) Maint. Of Measuring and Reg. Station Equipment	4,614	9,539	11,517	19,367
(836) Maint. Of Purification Equipment	202,914	180,614	180,491	178,018
(837) Maint. Of Other Equipment	59,818	53,563	61,503	94,769
Total Underground Storage Maint. Expense	1,039,169	882,550	1,000,622	1,064,705
Gas Transmission:				
(861) Maintenance Supervision and Engineering	0	401	950	249
(862) Maint. Of Structures and Improvements	(4,224)	(2)	0	0
(863) Maint. Of Mains	28,994	37,971	19,610	9,646
(864) Maint. Of Compressor Station Equipment	0	0	0	0
(865) Maint. Of Measuring and Reg. Station Equipment	843	0	0	0
(866) Maint. Of Communication Equipment	8,424	9,037	9,735	11,460
(867) Maint. Of Other Equipment	447	899	152	0
Total Gas Transmission Maint. Expense	34,484	48,306	30,447	21,355
Gas Distribution:				
(885) Maintenance Supervision and Engineering	501,385	497,917	637,581	247,219
(886) Maint. Of Structures and Improvements	93,312	74,220	103,344	76,371
(887) Maint. Of Mains	2,864,835	2,583,330	2,236,787	2,348,443
(888) Maint. Of Compressor Station Equipment	0	0	0	0
(889) Maint. Of Meas. And Reg. Sta. Equip. - General	213,419	196,953	216,918	213,949
(890) Maint. Of Meas. And Reg. Sta. Equip - Industrial	129,294	132,106	154,328	172,246
(891) Maint. Of Meas. And Reg. Sta. Equip - City Gate Check Station	69,200	55,860	83,920	91,217
(892) Maint. Of Services	1,854,233	1,675,645	1,858,954	1,460,835
(893) Maint. Of Meters and House Regulators	563,371	582,077	537,734	513,242
(894) Maint. Of Other Equipment	103,320	122,984	122,633	292,339
Total Gas Distribution Maintenance	6,392,369	5,921,092	5,952,199	5,415,861
Administrative and General:				
(935) Maint. of General Plant - Electric	1,481,958	2,269,106	1,788,060	1,681,044
(935) Maint. of General Plant - Gas	375,065	577,951	434,874	418,687
Total Adm. and General Maintenance	1,857,023	2,847,057	2,222,934	2,099,731
Total Annual Maintenance Expense:	52,480,953	51,864,578	48,498,377	49,079,187

Louisville Gas and Electric Company				
Summary of Annual Maintenance Expense				
For the Years, 1988 - 2007				
	1992	1993	1994	1995
Steam Power Generation:				
(510) Maint. Supervision and Engineering	2,215,786	2,920,096	2,647,498	2,571,022
(511) Maint. of Structures	3,889,524	3,834,450	5,137,021	4,640,589
(512) Maint. of Boiler Plant	14,902,265	15,840,502	15,844,692	17,560,235
(513) Maint. of Electric Plant	3,621,913	3,586,047	3,408,973	5,986,243
(514) Maint. of Misc. Steam Plant	2,646,001	2,937,137	2,664,799	3,129,509
Total Steam Generation Maintenance	27,275,489	29,118,232	29,702,983	33,887,598
Hydraulic Power Generation:				
(541) Maint. Supervision and Engineering	39,542	20,009	18,649	24,053
(542) Maint. of Structures	19,774	22,041	14,897	18,229
(543) Maint. of Reservoirs, Dams & Waterways	50,211	39,579	17,734	29,160
(544) Maint. of Electric Plant	45,985	33,824	31,216	32,117
(545) Maint. of Misc. Hydraulic Plant	575,499	430,864	505,545	469,210
Total Hydraulic Pwr Generation Maintenance	731,011	546,317	588,041	572,769
Other Power Generation:				
(551) Maint. Supervision and Engineering	1,883	889	3,241	8,658
(552) Maint. of Structures	24,599	30,508	55,671	89,936
(553) Maint. of Generating and Electric Plant	190,027	113,147	109,619	548,112
(554) Maint. of Misc. Other Pwr Generation Plant	28,567	29,727	668	760
Total Other Power Generation Maintenance	245,076	174,271	169,199	647,466
Electric Transmission:				
(568) Maint. Supervision and Engineering	51,916	1,348	0	15,101
(569) Maint. of Structures	251,806	177,141	50,292	76,372
(570) Maint. of Station Equipment	524,439	645,174	686,604	264,141
(571) Maint. of Overhead Lines	503,038	593,614	643,914	859,782
(572) Maint. of Underground Lines	0	0	0	6,385
(573) Maint. of Misc. Transmission Plant	4,912	6,112	10,776	4,998
Total Electric Transmission Maintenance	1,336,111	1,423,389	1,391,586	1,226,779
Electric Distribution:				
(590) Maint. Supervision and Engineering	114,368	77,618	35,935	123,532
(591) Maint. of Structures	421,374	308,147	320,190	480,657
(592) Maint. of Station Equipment	607,557	822,664	649,601	362,018
(593) Maint. of Overhead Lines	6,081,094	5,847,466	6,273,005	5,676,808
(594) Maint. of Underground Lines	577,102	507,887	332,430	252,915
(595) Maint. of Line Transformers	581,883	575,116	510,891	418,536
(596) Maint. of St. Lighting and Signal Systems	595,559	687,700	657,915	482,166
(597) Maint. of Meters	303,415	373,489	367,031	368,118
(598) Maint. of Misc. Distribution Plant	96,122	84,224	189,865	92,335
Total Electric Distribution Maintenance	9,378,474	9,284,311	9,336,863	8,257,085

Louisville Gas and Electric Company Summary of Annual Maintenance Expense For the Years, 1988 - 2007				
	1992	1993	1994	1995
Underground Storage:				
(830) Maint. Supervision and Engineering	95,177	129,091	134,723	131,179
(831) Maint. Of Structures and Improvements	33,441	28,640	47,985	39,385
(832) Maint. Of Reservoirs and Wells	236,137	164,207	222,287	304,861
(833) Maint. Of Lines	70,956	58,248	74,723	54,214
(834) Maint. Of compressor Station Equipment	448,960	467,155	618,117	591,493
(835) Maint. Of Measuring and Reg. Station Equipment	18,971	32,207	25,434	29,864
(836) Maint. Of Purification Equipment	317,619	342,721	365,036	267,980
(837) Maint. Of Other Equipment	69,120	70,002	81,389	85,723
Total Undersground Storage Maint. Expense	1,290,381	1,292,271	1,569,694	1,504,699
Gas Transmission:				
(861) Maintenance Supervision and Engineering	0	0	172	620
(862) Maint. Of Structures and Improvements	0	6,862	37	7,431
(863) Maint. Of Mains	12,007	6,899	6,218	6,967
(864) Maint. Of Compressor Station Equipment	0	0	0	0
(865) Maint. Of Measuring and Reg. Station Equipment	0	0	0	0
(866) Maint. Of Communication Equipment	7,636	536	861	90
(867) Maint. Of Other Equipment	0	0	0	1,800
Total Gas Transmission Maint. Expense	19,643	14,297	7,288	16,908
Gas Distribution:				
(885) Maintenance Supervision and Engineering	204,881	243,269	230,573	273,448
(886) Maint. Of Structures and Improvements	89,135	149,650	166,061	164,253
(887) Maint. Of Mains	1,286,483	1,232,271	1,033,449	1,124,752
(888) Maint. Of Compressor Station Equipment	0	0	0	0
(889) Maint. Of Meas. And Reg. Sta. Equip. - General	248,075	225,880	222,823	226,895
(890) Maint. Of Meas. And Reg. Sta. Equip - Industrial	191,719	182,540	185,934	187,379
(891) Maint. Of Meas. And Reg. Sta. Equip - City Gate Check Station	78,019	110,616	99,565	71,749
(892) Maint. Of Services	1,597,844	1,252,847	1,228,406	1,453,487
(893) Maint. Of Meters and House Regulators	203,281	225,797	193,808	197,403
(894) Maint. Of Other Equipment	223,861	197,457	182,256	137,066
Total Gas Distribution Maintenance	4,123,298	3,820,327	3,542,875	3,836,432
Administrative and General:				
(935) Maint. of General Plant - Electric	1,892,926	2,113,094	1,823,470	1,615,577
(935) Maint. of General Plant - Gas	638,221	627,871	599,026	535,957
Total Adm. and General Maintenance	2,531,147	2,740,965	2,422,496	2,151,534
Total Annual Maintenance Expense:	46,930,630	48,414,380	48,731,025	52,101,270

Louisville Gas and Electric Company Summary of Annual Maintenance Expense For the Years, 1988 - 2007				
	1996	1997	1998	1999
Steam Power Generation:				
(510) Maint. Supervision and Engineering	2,544,952	138,990	128,395	251,649
(511) Maint. of Structures	5,985,632	5,030,317	2,452,286	2,417,193
(512) Maint. of Boiler Plant	17,754,845	18,594,390	23,396,952	27,785,103
(513) Maint. of Electric Plant	5,601,718	4,430,656	4,776,119	6,083,722
(514) Maint. of Misc. Steam Plant	3,235,380	1,927,712	1,614,207	2,392,131
Total Steam Generation Maintenance	35,122,527	30,122,065	32,367,959	38,929,798
Hydraulic Power Generation:				
(541) Maint. Supervision and Engineering	24,770	2,783	0	0
(542) Maint. of Structures	25,092	37,741	32,519	23,638
(543) Maint. of Reservoirs, Dams & Waterways	39,546	27,134	4,751	0
(544) Maint. of Electric Plant	27,447	31,222	358,729	398,876
(545) Maint. of Misc. Hydraulic Plant	466,082	359,207	292,235	87,958
Total Hydraulic Pwr Generation Maintenance	582,937	458,087	688,234	510,472
Other Power Generation:				
(551) Maint. Supervision and Engineering	8,831	938	0	(13,744)
(552) Maint. of Structures	67,840	81,700	77,685	82,284
(553) Maint. of Generating and Electric Plant	640,946	128,271	162,955	155,984
(554) Maint. of Misc. Other Pwr Generation Plant	4,999	5,029	913	36,352
Total Other Power Generation Maintenance	722,616	215,938	241,553	260,876
Electric Transmission:				
(568) Maint. Supervision and Engineering	15,635	3,245	100,216	138,147
(569) Maint. of Structures	75,721	94,429	81,995	94,558
(570) Maint. of Station Equipment	379,242	428,766	672,830	655,794
(571) Maint. of Overhead Lines	542,229	534,970	643,455	624,231
(572) Maint. of Underground Lines	0	0	0	0
(573) Maint. of Misc. Transmission Plant	266,241	13,233	2,083	0
Total Electric Transmission Maintenance	1,279,068	1,074,643	1,500,579	1,512,730
Electric Distribution:				
(590) Maint. Supervision and Engineering	93,625	78,206	192,647	206,308
(591) Maint. of Structures	423,353	466,047	578,460	582,427
(592) Maint. of Station Equipment	464,423	510,379	651,610	570,602
(593) Maint. of Overhead Lines	7,461,717	5,878,547	7,026,125	5,430,998
(594) Maint. of Underground Lines	461,819	456,689	493,551	638,427
(595) Maint. of Line Transformers	431,010	411,315	462,852	354,306
(596) Maint. of St. Lighting and Signal Systems	413,447	425,935	302,982	652,610
(597) Maint. of Meters	311,328	278,732	224,653	155,848
(598) Maint. of Misc. Distribution Plant	116,010	119,428	113,485	227,807
Total Electric Distribution Maintenance	10,176,732	8,625,278	10,046,365	8,819,333

Louisville Gas and Electric Company Summary of Annual Maintenance Expense For the Years, 1988 - 2007				
	1996	1997	1998	1999
Underground Storage:				
(830) Maint. Supervision and Engineering	198,323	97,672	466,116	383,781
(831) Maint. Of Structures and Improvements	53,055	66,643	19,795	83
(832) Maint. Of Reservoirs and Wells	269,594	289,698	386,015	389,214
(833) Maint. Of Lines	31,684	42,775	5,914	6,554
(834) Maint. Of compressor Station Equipment	644,462	504,463	452,319	571,340
(835) Maint. Of Measuring and Reg. Station Equipment	10,551	12,710	21,822	25,971
(836) Maint. Of Purification Equipment	282,754	339,273	30,776	42,816
(837) Maint. Of Other Equipment	85,652	113,368	51,257	31,939
Total Undersground Storage Maint. Expense	1,576,075	1,466,602	1,434,014	1,451,698
Gas Transmission:				
(861) Maintenance Supervision and Engineering	0	0	0	13,056
(862) Maint. Of Structures and Improvements	0	0	0	0
(863) Maint. Of Mains	8,238	1,191	9	0
(864) Maint. Of Compressor Station Equipment	0	0	0	0
(865) Maint. Of Measuring and Reg. Station Equipment	0	0	0	0
(866) Maint. Of Communication Equipment	0	0	0	0
(867) Maint. Of Other Equipment	156	0	0	0
Total Gas Transmission Maint. Expense	8,394	1,191	9	13,056
Gas Distribution:				
(885) Maintenance Supervision and Engineering	290,614	470,137	402,836	234,351
(886) Maint. Of Structures and Improvements	207,116	206,650	200,473	318,842
(887) Maint. Of Mains	836,610	904,851	1,368,797	1,212,288
(888) Maint. Of Compressor Station Equipment	0	0	0	0
(889) Maint. Of Meas. And Reg. Sta. Equip. - General	210,734	236,363	186,571	73,866
(890) Maint. Of Meas. And Reg. Sta. Equip - Industrial	203,625	154,263	169,060	156,260
(891) Maint. Of Meas. And Reg. Sta. Equip - City Gate Check Station	72,066	96,704	89,444	105,394
(892) Maint. Of Services	1,301,276	1,299,872	1,086,454	696,538
(893) Maint. Of Meters and House Regulators	232,832	206,180	171,406	188,580
(894) Maint. Of Other Equipment	113,477	141,646	93,179	91,470
Total Gas Distribution Maintenance	3,468,350	3,716,666	3,768,220	3,077,589
Administrative and General:				
(935) Maint. of General Plant - Electric	1,416,314	1,462,143	2,076,511	2,675,799
(935) Maint. of General Plant - Gas	436,791	443,904	663,037	867,283
Total Adm. and General Maintenance	1,853,105	1,906,047	2,739,548	3,543,082
Total Annual Maintenance Expense:	54,789,804	47,586,517	52,786,481	58,118,634