

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

February 21, 2006

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FEB 21 2006

PUBLIC SERVICE
COMMISSION

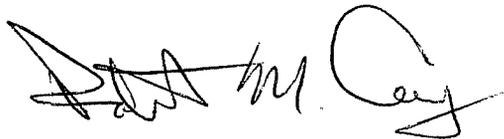
Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the March 2006 billing cycle which begins March 3, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Respectfully,



Robert M. Conroy
Manager, Rates

Enclosure

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FINANCIAL ANA

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Public Service Commission

FEB 22 2006

By 
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : January 2006

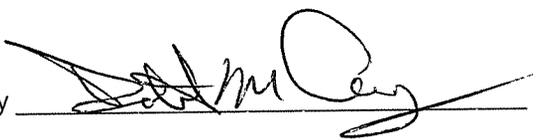
$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \text{Sales "Sm" (Sales Schedule)} \end{array} = \frac{\$36,389,515}{1,807,928,314 \text{ KWH}} = (+) \$ 0.02013 / \text{KWH}$$

$$\text{Per PSC approved Tariff Sheet No. 70 effective July 5, 2005.} = (-) \$ 0.01810 / \text{KWH}$$

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00203 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: March 3, 2006

Submitted by 

Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : January 2006

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$	29,085,598
Oil Burned	(+)		413,536
Gas Burned	(+)		1,443,142
Fuel (assigned cost during Forced Outage)	(+)		190,485 *
Fuel (substitute cost for Forced Outage)	(-)		185,543 *
SUB-TOTAL		\$	30,942,277 ✓
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$	3,852,438
Identifiable fuel cost - other purchases	(+)		-
Identifiable fuel cost (substitute for Forced Outage)	(-)		4,299 *
Less Purchases above Highest Cost Units	(-)		-
Internal Economy	(+)		10,057,892
Internal Replacement	(+)		-
SUB-TOTAL		\$	13,910,330 ✓
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$	221,291
Internal Economy	(+)		-
Internal Replacement	(+)		7,444,212
Dollars Assigned to Inter-System Sales Losses	(+)		2,213
SUB-TOTAL		\$	7,667,716 ✓
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 12		\$	795,376
TOTAL FUEL RECOVERY (A+B-C-D) =		\$	36,389,515 ✓

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : January 2006

(A) Generation (Net)	(+)	1,464,321,000	
Purchases including interchange-in	(+)	208,707,000	
Internal Economy	(+)	614,049,000	
Internal Replacement	(+)	-	
SUB-TOTAL		<u>2,287,077,000</u>	✓
(B) Inter-system Sales including interchange-out	(+)	9,297,000	
Internal Economy	(+)	-	
Internal Replacement	(+)	357,020,000	
(*) System Losses	(+)	112,831,686	
SUB-TOTAL		<u>479,148,686</u>	✓
TOTAL SALES (A-B)		<u>1,807,928,314</u>	✓

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses"

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : January 2006

12 Months to Date KWH Sources: 25,918,227,339 KWH
 12 MTD Overall System Losses: 1,278,661,583 KWH
 January 2006 KWH Sources: 2,287,077,000 KWH

$$1,278,661,583 / 25,918,227,339 = 4.933445\% \checkmark$$

$$4.933445\% \times 2,287,077,000 = 112,831,686 \checkmark \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

220,619,396 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 48,118,000 Wholesale sales at Primary Voltage (WS-P)
 366,317,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	220,619,396	3.1%	7,057,999	227,677,395
WS-P:	48,118,000	3.1% & 0.7%	1,889,431	50,007,431
IS-T:	366,317,000	1.0%	3,700,172	370,017,172

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : January 2006

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 8,862,442.05	614,049,000	Fuel for LGE Sale to KU for Native Load
	1,195,449.58		Half of Split Savings to LGE from KU
	<u>\$ 10,057,891.63 ✓</u>	<u>614,049,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 10,057,891.63 ✓</u>	<u>614,049,000 ✓</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 7,444,211.66	357,020,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 7,444,211.66</u>	<u>357,020,000</u>	
Total Sales	<u>\$ 7,444,211.66 ✓</u>	<u>357,020,000 ✓</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 7,444,211.66	357,020,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 7,444,211.66</u>	<u>357,020,000</u>	
Total Purchases	<u>\$ 7,444,211.66</u>	<u>357,020,000</u>	
Sales			
Internal Economy	\$ 8,862,442.05	614,049,000	Fuel for LGE Sale to KU for Native Load
	1,195,449.58		Half of Split Savings to LGE from KU
	<u>\$ 10,057,891.63</u>	<u>614,049,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 10,057,891.63</u>	<u>614,049,000</u>	

LG&E Energy LLC
220 West Main Street (40202)
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March 24, 2006

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

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MAR 24 2006

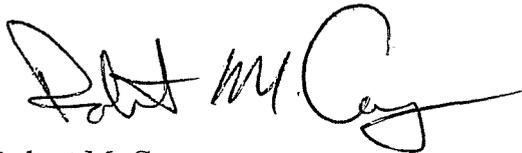
PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the April 2006 billing cycle which begins April 3, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Respectfully,



Robert M. Conroy
Manager, Rates

Enclosure

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2006

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$39,996,771}{1,777,860,046 \text{ KWH}} = (+) \$ 0.02250 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00440 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: April 3, 2006

Submitted by



Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : February 2006

(A) <u>Company Generation</u>	
Coal Burned	(+) \$ 29,143,396
Oil Burned	(+) 232,424
Gas Burned	(+) 1,555,897
Fuel (assigned cost during Forced Outage)	(+) 260,083
Fuel (substitute cost for Forced Outage)	(-) 210,363
SUB-TOTAL	\$ 30,981,437
(B) <u>Purchases</u>	
Net energy cost - economy purchases	(+) \$ 6,007,410
Identifiable fuel cost - other purchases	(+) -
Identifiable fuel cost (substitute for Forced Outage)	(-) 100,646
Less Purchases above Highest Cost Units	(-) 35,688
Internal Economy	(+) 5,994,758
Internal Replacement	(+) -
SUB-TOTAL	\$ 11,865,834
(C) <u>Inter-System Sales</u>	
Including Interchange-out	(+) \$ 71,661
Internal Economy	(+) 4,742
Internal Replacement	(+) 3,432,560
Dollars Assigned to Inter-System Sales Losses	(+) 717
SUB-TOTAL	\$ 3,509,680
(D) <u>Over or (Under) Recovery</u>	
From Page 5, Line 12	\$ (659,180)
 TOTAL FUEL RECOVERY (A+B-C-D) =	 \$ 39,996,771

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2006

(A) Generation (Net)	(+)	1,429,091,000
Purchases including interchange-in	(+)	228,027,000
Internal Economy	(+)	369,231,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,026,349,000</u>
(B) Inter-system Sales including interchange-out	(+)	2,319,000
Internal Economy	(+)	62,000
Internal Replacement	(+)	144,075,000
(*) System Losses	(+)	102,032,954
SUB-TOTAL		<u>248,488,954</u>
TOTAL SALES (A-B)		<u>1,777,860,046</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : February 2006

12 Months to Date KWH Sources: 25,756,793,339 KWH
 12 MTD Overall System Losses: 1,296,934,474 KWH
 February 2006 KWH Sources: 2,026,349,000 KWH

$$1,296,934,474 / 25,756,793,339 = 5.035310\%$$

$$5.035310\% \times 2,026,349,000 = 102,032,954 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

215,264,106 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 45,714,400 Wholesale sales at Primary Voltage (WS-P)
 146,456,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	215,264,106	3.1%	6,886,674	222,150,780
WS-P:	45,714,400	3.1% & 0.7%	1,795,050	47,509,450
IS-T:	146,456,000	1.0%	1,479,354	147,935,354

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : February 2006

1. Last FAC Rate Billed		<u>\$0.00263</u>
2. KWH Billed at Above Rate		<u>1,500,163,610</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 3,945,430</u>
4. KWH Used to Determine Last FAC Rate		<u>2,006,713,412</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>292,935,151</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,713,778,261</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u></u>
8. Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 4,507,237</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (561,807)</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,777,860,046</u>
11. Kentucky Jurisdictional Sales		<u>1,515,237,197</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.17332128</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (659,180)</u>
		To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : February 2006

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 5,283,221.73	369,231,000	Fuel for LGE Sale to KU for Native Load
	711,536.73		Half of Split Savings to LGE from KU
	<u>\$ 5,994,758.46</u>	<u>369,231,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 5,994,758.46</u>	<u>369,231,000</u>	
Sales			
Internal Economy	\$ 4,742.34	62,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 4,742.34</u>	<u>62,000</u>	
Internal Replacement	\$ 3,432,560.49	144,075,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,432,560.49</u>	<u>144,075,000</u>	
Total Sales	<u>\$ 3,437,302.83</u>	<u>144,137,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 4,742.34	62,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 4,742.34</u>	<u>62,000</u>	
Internal Replacement	\$ 3,432,560.49	144,075,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,432,560.49</u>	<u>144,075,000</u>	
Total Purchases	<u>\$ 3,437,302.83</u>	<u>144,137,000</u>	
Sales			
Internal Economy	\$ 5,283,221.73	369,231,000	Fuel for LGE Sale to KU for Native Load
	711,536.73		Half of Split Savings to LGE from KU
	<u>\$ 5,994,758.46</u>	<u>369,231,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 5,994,758.46</u>	<u>369,231,000</u>	

LG&E Energy LLC
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April 21, 2006

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

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PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the May 2006 billing cycle which begins May 3, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Respectfully,



Robert M. Conroy
Manager, Rates

Enclosure

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Public Service Commission

APR 25 2006

By 
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2006

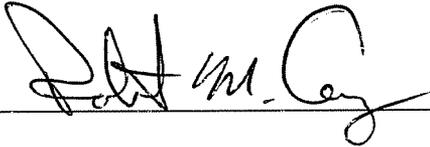
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$44,041,843}{1,741,056,222 \text{ KWH}} = (+) \$ 0.02530 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00720 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: May 3, 2006

Submitted by 

Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : March 2006

<u>(A) Company Generation</u>		
Coal Burned	(+) \$	29,214,492
Oil Burned	(+)	328,455
Gas Burned	(+)	2,509,202
Fuel (assigned cost during Forced Outage)	(+)	1,156,562
Fuel (substitute cost for Forced Outage)	(-)	686,791
SUB-TOTAL	\$	32,521,920 ✓
 <u>(B) Purchases</u>		
Net energy cost - economy purchases	(+) \$	8,501,982
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	918,344
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	6,157,981
Internal Replacement	(+)	-
SUB-TOTAL	\$	13,741,619 ✓
 <u>(C) Inter-System Sales</u>		
Including Interchange-out	(+) \$	58,069
Internal Economy	(+)	-
Internal Replacement	(+)	2,285,702
Dollars Assigned to Inter-System Sales Losses	(+)	581
SUB-TOTAL	\$	2,344,352 ✓
 <u>(D) Over or (Under) Recovery</u>		
From Page 5, Line 12	\$	(122,656) ✓
 TOTAL FUEL RECOVERY (A+B-C-D) =	\$	44,041,843 ✓

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2006

(A) Generation (Net)	(+)	1,340,826,000	
Purchases including interchange-in	(+)	242,958,000	
Internal Economy	(+)	345,430,000	
Internal Replacement	(+)	-	
SUB-TOTAL		<u>1,929,214,000</u>	✓
(B) Inter-system Sales including interchange-out	(+)	2,024,000	
Internal Economy	(+)	-	
Internal Replacement	(+)	85,453,000	
(*) System Losses	(+)	<u>100,680,778</u>	
SUB-TOTAL		<u>188,157,778</u>	✓
TOTAL SALES (A-B)		<u>1,741,056,222</u>	✓

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : March 2006

12 Months to Date KWH Sources: 25,403,451,339 KWH
 12 MTD Overall System Losses: 1,325,741,492 KWH
 March 2006 KWH Sources: 1,929,214,000 KWH

$$1,325,741,492 / 25,403,451,339 = 5.218746\%$$

$$5.218746\% \times 1,929,214,000 = 100,680,778 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

205,456,289 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 47,502,656 Wholesale sales at Primary Voltage (WS-P)
 87,477,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	205,456,289	3.1%	6,572,905	212,029,194
WS-P:	47,502,656	3.1% & 0.7%	1,865,268	49,367,924
IS-T:	87,477,000	1.0%	883,606	88,360,606

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : March 2006

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 5,676,455.39	345,430,000	Fuel for LGE Sale to KU for Native Load
	481,525.96		Half of Split Savings to LGE from KU
	<u>\$ 6,157,981.35</u>	<u>345,430,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u><u>\$ 6,157,981.35</u></u>	<u><u>345,430,000</u></u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 2,285,702.47	85,453,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,285,702.47</u>	<u>85,453,000</u>	
Total Sales	<u><u>\$ 2,285,702.47</u></u>	<u><u>85,453,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 2,285,702.47	85,453,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,285,702.47</u>	<u>85,453,000</u>	
Total Purchases	<u><u>\$ 2,285,702.47</u></u>	<u><u>85,453,000</u></u>	
Sales			
Internal Economy	\$ 5,676,455.39	345,430,000	Fuel for LGE Sale to KU for Native Load
	481,525.96		Half of Split Savings to LGE from KU
	<u>\$ 6,157,981.35</u>	<u>345,430,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u><u>\$ 6,157,981.35</u></u>	<u><u>345,430,000</u></u>	



Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

May 26, 2006

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the June 2006 billing cycle which begins June 5, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

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JUN 08 2006

RECEIVED PUBLIC SERVICE COMMISSION

JUN 8 2006

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MAY 26 2006

PUBLIC SERVICE COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Manager - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

CHECKED
Public Service Commission

JUN 08 2006

By 
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2006

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$35,719,844}{1,477,304,628 \text{ KWH}} = (+) \$ 0.02418 / \text{KWH}$$

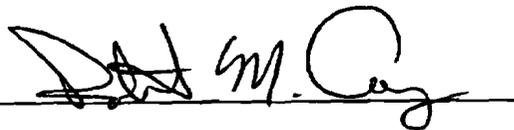
Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

FAC Factor (1) = \$ 0.00608 / KWH

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: June 5, 2006

Submitted by



Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : April 2006

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	25,788,809
Oil Burned	(+)	489,285
Gas Burned	(+)	897,250
Fuel (assigned cost during Forced Outage)	(+)	1,993,824
Fuel (substitute cost for Forced Outage)	(-)	1,125,780
SUB-TOTAL	\$	28,043,388 ✓
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	7,081,383
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	3,623,984
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	6,222,650
Internal Replacement	(+)	18,583
SUB-TOTAL	\$	9,698,632 ✓
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	205,439
Internal Economy	(+)	19,622
Internal Replacement	(+)	2,502,647
Dollars Assigned to Inter-System Sales Losses	(+)	2,054
SUB-TOTAL	\$	2,729,762 ✓
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 12	\$	(707,586) ✗
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	35,719,844 ✓

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2006

(A) Generation (Net)	(+)	1,159,316,000
Purchases including interchange-in	(+)	163,388,000
Internal Economy	(+)	350,332,000
Internal Replacement	(+)	<u>423,000</u>
SUB-TOTAL		<u>1,673,459,000</u> ✓
(B) Inter-system Sales including interchange-out	(+)	6,400,000
Internal Economy	(+)	275,000
Internal Replacement	(+)	101,592,000
(*) System Losses	(+)	<u>87,887,372</u>
SUB-TOTAL		<u>196,154,372</u> ✓
TOTAL SALES (A-B)		<u>1,477,304,628</u> ✓

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : April 2006

12 Months to Date KWH Sources: 25,324,105,339 KWH
 12 MTD Overall System Losses: 1,329,981,235 KWH
 April 2006 KWH Sources: 1,673,459,000 KWH

$$1,329,981,235 / 25,324,105,339 = 5.251839\%$$

$$5.251839\% \times 1,673,459,000 = 87,887,372 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

156,691,250 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 44,216,000 Wholesale sales at Primary Voltage (WS-P)
 108,267,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	156,691,250	3.1%	5,012,826	161,704,076
WS-P:	44,216,000	3.1% & 0.7%	1,736,212	45,952,212
IS-T:	108,267,000	1.0%	1,093,606	109,360,606

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : April 2006

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 5,770,945.64	350,332,000	Fuel for LGE Sale to KU for Native Load
	451,704.83		Half of Split Savings to LGE from KU
	<u>\$ 6,222,650.47</u>	<u>350,332,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	18,583.25	423,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 18,583.25</u>	<u>423,000</u>	
Total Purchases	<u>\$ 6,241,233.72</u>	<u>350,755,000</u>	
Sales			
Internal Economy	\$ 19,621.79	275,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 19,621.79</u>	<u>275,000</u>	
Internal Replacement	\$ 2,502,646.84	101,592,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,502,646.84</u>	<u>101,592,000</u>	
Total Sales	<u>\$ 2,522,268.63</u>	<u>101,867,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 19,621.79	275,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 19,621.79</u>	<u>275,000</u>	
Internal Replacement	\$ 2,502,646.84	101,592,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,502,646.84</u>	<u>101,592,000</u>	
Total Purchases	<u>\$ 2,522,268.63</u>	<u>101,867,000</u>	
Sales			
Internal Economy	\$ 5,770,945.64	350,332,000	Fuel for LGE Sale to KU for Native Load
	451,704.83		Half of Split Savings to LGE from KU
	<u>\$ 6,222,650.47</u>	<u>350,332,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	18,583.25	423,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 18,583.25</u>	<u>423,000</u>	
Total Sales	<u>\$ 6,241,233.72</u>	<u>350,755,000</u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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JUN 23 2006

PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

June 23, 2006

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JUN 26 2006

FINANCIAL ANA

Robert M. Conroy
Manager - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the July 2006 billing cycle which begins July 5, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

CHECKED
Public Service Commission

JUN 27 2006

By 
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2006

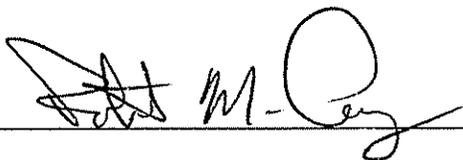
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$40,345,554}{\text{Sales "Sm" (Sales Schedule)} \quad 1,592,684,849 \text{ KWH}} = (+) \$ 0.02533 \checkmark / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 \checkmark / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00723 \checkmark / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: July 5, 2006

Submitted by 

Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : May 2006

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	28,595,628
Oil Burned	(+)	344,342
Gas Burned	(+)	3,058,326
Fuel (assigned cost during Forced Outage)	(+)	1,335,832
Fuel (substitute cost for Forced Outage)	(-)	1,214,071
SUB-TOTAL	\$	32,120,058 ✓
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	4,465,199
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	132,683
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	8,686,866
Internal Replacement	(+)	116
SUB-TOTAL	\$	13,019,498 ✓
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	410,927
Internal Economy	(+)	15,152
Internal Replacement	(+)	5,896,433
Dollars Assigned to Inter-System Sales Losses	(+)	4,109
SUB-TOTAL	\$	6,326,621 ✓
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 12	\$	(1,532,619) ✓
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 40,345,554 ✓

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2006

(A) Generation (Net)	(+)	1,318,543,000	
Purchases including interchange-in	(+)	169,623,000	
Internal Economy	(+)	442,061,000	
Internal Replacement	(+)	2,000	
SUB-TOTAL		<u>1,930,229,000</u>	✓
(B) Inter-system Sales including interchange-out	(+)	12,576,000	
Internal Economy	(+)	702,000	
Internal Replacement	(+)	222,988,000	
(*) System Losses	(+)	101,278,151	
SUB-TOTAL		<u>337,544,151</u>	✓
TOTAL SALES (A-B)		<u>1,592,684,849</u>	✓

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL

Expense Month : May 2006

12 Months to Date KWH Sources: 25,343,762,339 KWH
 12 MTD Overall System Losses: 1,329,774,526 KWH
 May 2006 KWH Sources: 1,930,229,000 KWH

$$1,329,774,526 / 25,343,762,339 = 5.246950\%$$

$$5.246950\% \times 1,930,229,000 = 101,278,151 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

164,745,435 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 44,216,000 Wholesale sales at Primary Voltage (WS-P)
 236,266,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	164,745,435	3.1%	5,270,494	170,015,929
WS-P:	44,216,000	3.1% & 0.7%	1,736,212	45,952,212
IS-T:	236,266,000	1.0%	2,386,525	238,652,525

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : May 2006

1. Last FAC Rate Billed		<u>\$0.00720</u> ✓
2. KWH Billed at Above Rate		<u>1,301,666,102</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 9,371,996</u> ✓
4. KWH Used to Determine Last FAC Rate		<u>1,741,056,222</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>254,599,065</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,486,457,157</u> ✓
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u></u>
8. Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 10,702,492</u> ✓
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (1,330,496)</u> ✓
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,592,684,849</u> ✓
11. Kentucky Jurisdictional Sales		<u>1,382,640,435</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.15191543</u> ✓
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (1,532,619)</u> ✓ To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : May 2006

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 7,517,530.51	442,061,000	Fuel for LGE Sale to KU for Native Load
	1,169,335.39		Half of Split Savings to LGE from KU
	<u>\$ 8,686,865.90</u> ✓	<u>442,061,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	115.73	2,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 115.73</u>	<u>2,000</u> ✓	
Total Purchases	<u>\$ 8,686,981.63</u> ✓	<u>442,063,000</u> ✓	
Sales			
Internal Economy	\$ 15,151.74	702,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 15,151.74</u>	<u>702,000</u>	
Internal Replacement	\$ 5,896,433.47	222,988,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,896,433.47</u>	<u>222,988,000</u>	
Total Sales	<u>\$ 5,911,585.21</u> ✓	<u>223,690,000</u> ✓	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 15,151.74	702,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 15,151.74</u>	<u>702,000</u>	
Internal Replacement	\$ 5,896,433.47	222,988,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,896,433.47</u>	<u>222,988,000</u>	
Total Purchases	<u>\$ 5,911,585.21</u>	<u>223,690,000</u>	
Sales			
Internal Economy	\$ 7,517,530.51	442,061,000	Fuel for LGE Sale to KU for Native Load
	1,169,335.39		Half of Split Savings to LGE from KU
	<u>\$ 8,686,865.90</u>	<u>442,061,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	115.73	2,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 115.73</u>	<u>2,000</u>	
Total Sales	<u>\$ 8,686,981.63</u>	<u>442,063,000</u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

July 24, 2006

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the August 2006 billing cycle which begins August 3, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

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JUL 24 2006

PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Manager - Rates
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JUL 25 2006

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2006

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$45,771,907}{\text{Sales "Sm" (Sales Schedule)} \quad 1,734,715,248 \text{ KWH}} = (+) \$ 0.02639 / \text{KWH}$$

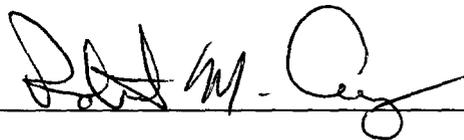
Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00829 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: August 3, 2006

Submitted by _____



Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : June 2006

(A) <u>Company Generation</u>	
Coal Burned	(+) \$ 31,776,490
Oil Burned	(+) 704,023
Gas Burned	(+) 6,545,710
Fuel (assigned cost during Forced Outage)	(+) 1,418,840
Fuel (substitute cost for Forced Outage)	(-) 1,168,172
SUB-TOTAL	\$ 39,276,890
(B) <u>Purchases</u>	
Net energy cost - economy purchases	(+) \$ 7,754,816
Identifiable fuel cost - other purchases	(+) -
Identifiable fuel cost (substitute for Forced Outage)	(-) 698,540
Less Purchases above Highest Cost Units	(-) -
Internal Economy	(+) 5,819,338
Internal Replacement	(+) -
SUB-TOTAL	\$ 12,875,614
(C) <u>Inter-System Sales</u>	
Including Interchange-out	(+) \$ 449,502
Internal Economy	(+) 18,112
Internal Replacement	(+) 4,588,130
Dollars Assigned to Inter-System Sales Losses	(+) 4,495
SUB-TOTAL	\$ 5,060,239
(D) <u>Over or (Under) Recovery</u>	
From Page 5, Line 12	\$ 1,320,358
 TOTAL FUEL RECOVERY (A+B-C-D) =	 \$ 45,771,907

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2006

(A) Generation (Net)	(+)	1,447,031,000
Purchases including interchange-in	(+)	213,769,000
Internal Economy	(+)	330,934,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,991,734,000</u>

(B) Inter-system Sales including interchange-out	(+)	8,708,000
Internal Economy	(+)	230,000
Internal Replacement	(+)	137,890,000
(*) System Losses	(+)	110,190,752
SUB-TOTAL		<u>257,018,752</u>

TOTAL SALES (A-B) 1,734,715,248

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : June 2006

12 Months to Date KWH Sources: 25,226,735,339 KWH
 12 MTD Overall System Losses: 1,395,644,580 KWH
 June 2006 KWH Sources: 1,991,734,000 KWH

$$1,395,644,580 / 25,226,735,339 = 5.532403\%$$

$$5.532403\% \times 1,991,734,000 = 110,190,752 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

186,629,410 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 56,442,400 Wholesale sales at Primary Voltage (WS-P)
 146,828,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	186,629,410	3.1%	5,970,600	192,600,010
WS-P:	56,442,400	3.1% & 0.7%	2,216,302	58,658,702
IS-T:	146,828,000	1.0%	1,483,111	148,311,111

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : June 2006

1. Last FAC Rate Billed		<u>\$0.00608</u>
2. KWH Billed at Above Rate		<u>1,461,724,468</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 8,887,285</u>
4. KWH Used to Determine Last FAC Rate		<u>1,477,304,628</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>202,184,696</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,275,119,932</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u></u>
8. Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 7,752,729</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 1,134,556</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,734,715,248</u>
11. Kentucky Jurisdictional Sales		<u>1,490,604,465</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.1637663</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 1,320,358</u> To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : June 2006

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 5,793,436.28	330,934,000	Fuel for LGE Sale to KU for Native Load
	25,901.35		Half of Split Savings to LGE from KU
	<u>\$ 5,819,337.63</u>	<u>330,934,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 5,819,337.63</u>	<u>330,934,000</u>	
Sales			
Internal Economy	\$ 18,112.35	230,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 18,112.35</u>	<u>230,000</u>	
Internal Replacement	\$ 4,588,130.16	137,890,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,588,130.16</u>	<u>137,890,000</u>	
Total Sales	<u>\$ 4,606,242.51</u>	<u>138,120,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 18,112.35	230,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 18,112.35</u>	<u>230,000</u>	
Internal Replacement	\$ 4,588,130.16	137,890,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,588,130.16</u>	<u>137,890,000</u>	
Total Purchases	<u>\$ 4,606,242.51</u>	<u>138,120,000</u>	
Sales			
Internal Economy	\$ 5,793,436.28	330,934,000	Fuel for LGE Sale to KU for Native Load
	25,901.35		Half of Split Savings to LGE from KU
	<u>\$ 5,819,337.63</u>	<u>330,934,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 5,819,337.63</u>	<u>330,934,000</u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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State Regulation and Rates
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PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

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AUG 22 2006

**PUBLIC SERVICE
COMMISSION**

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T 502-627-3324
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robert.conroy@eon-us.com

August 22, 2006

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the September 2006 billing cycle which begins September 1, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

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AUG 22 2006

FINANCIAL ANA

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Public Service Commission

AUG 23 2006

By _____
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2006

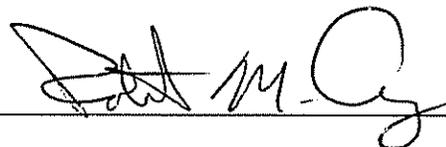
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$53,632,432}{\text{Sales "Sm" (Sales Schedule)} \quad 1,945,220,063 \text{ KWH}} = (+) \$ 0.02757 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00947 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: September 1, 2006

Submitted by 
Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2006

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	35,727,603
Oil Burned	(+)	444,230
Gas Burned	(+)	11,576,488
Fuel (assigned cost during Forced Outage)	(+)	691,136
Fuel (substitute cost for Forced Outage)	(-)	230,628
SUB-TOTAL	\$	48,208,830
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	6,151,617
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	864,294
Less Purchases above Highest Cost Units	(-)	33,482
Internal Economy	(+)	8,678,101
Internal Replacement	(+)	15,740
SUB-TOTAL	\$	13,947,682
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	807,578
Internal Economy	(+)	-
Internal Replacement	(+)	5,755,259
Dollars Assigned to Inter-System Sales Losses	(+)	8,076
SUB-TOTAL	\$	6,570,913
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 12	\$	1,953,167
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 53,632,432

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2006

(A) Generation (Net)	(+)	1,701,919,000
Purchases including interchange-in	(+)	197,161,000
Internal Economy	(+)	337,348,000
Internal Replacement	(+)	232,000
SUB-TOTAL		<u>2,236,660,000</u>
(B) Inter-system Sales including interchange-out	(+)	14,852,000
Internal Economy	(+)	-
Internal Replacement	(+)	154,127,000
(*) System Losses	(+)	122,460,937
SUB-TOTAL		<u>291,439,937</u>
TOTAL SALES (A-B)		<u>1,945,220,063</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : July 2006

12 Months to Date KWH Sources: 25,235,344,339 KWH
 12 MTD Overall System Losses: 1,381,678,049 KWH
 July 2006 KWH Sources: 2,236,660,000 KWH

$$1,381,678,049 / 25,235,344,339 = 5.475170\%$$

$$5.475170\% \times 2,236,660,000 = 122,460,937 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

208,758,772 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 61,541,200 Wholesale sales at Primary Voltage (WS-P)
 168,979,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	208,758,772	3.1%	6,678,557	215,437,329
WS-P:	61,541,200	3.1% & 0.7%	2,416,514	63,957,714
IS-T:	168,979,000	1.0%	1,706,859	170,685,859

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : July 2006

1. Last FAC Rate Billed		<u>\$0.00723</u>
2. KWH Billed at Above Rate		<u>1,594,969,493</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 11,531,629</u>
4. KWH Used to Determine Last FAC Rate		<u>1,592,684,849</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>233,930,336</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,358,754,513</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00725</u>
8. Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 9,850,970</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 1,680,659</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,945,220,063</u>
11. Kentucky Jurisdictional Sales		<u>1,673,821,154</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.16214331</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 1,953,167</u>
		To Page 2, Line D

Note 1: Non-Jurisdictional KWH reported on Line 5 in the May 2006 Expense Month filing inadvertently included some April energy. Correcting the non-jurisdictional energy to reflect May sales to KU municipal customers results in a May 2006 FAC billing factor of \$0.00725, compared to the \$0.00723 factor actually billed in July.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : July 2006

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 7,202,790.89	337,348,000	Fuel for LGE Sale to KU for Native Load
	1,475,310.16		Half of Split Savings to LGE from KU
	<u>\$ 8,678,101.05</u>	<u>337,348,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	15,740.19	232,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 15,740.19</u>	<u>232,000</u>	
Total Purchases	<u>\$ 8,693,841.24</u>	<u>337,580,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,755,259.23	154,127,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,755,259.23</u>	<u>154,127,000</u>	
Total Sales	<u>\$ 5,755,259.23</u>	<u>154,127,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,755,259.23	154,127,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,755,259.23</u>	<u>154,127,000</u>	
Total Purchases	<u>\$ 5,755,259.23</u>	<u>154,127,000</u>	
Sales			
Internal Economy	\$ 7,202,790.89	337,348,000	Fuel for LGE Sale to KU for Native Load
	1,475,310.16		Half of Split Savings to LGE from KU
	<u>\$ 8,678,101.05</u>	<u>337,348,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	15,740.19	232,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 15,740.19</u>	<u>232,000</u>	
Total Sales	<u>\$ 8,693,841.24</u>	<u>337,580,000</u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

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SEP 22 2006

PUBLIC SERVICE
COMMISSION

Robert M. Conroy
Manager - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

September 22, 2006

Dear Ms. O'Donnell:

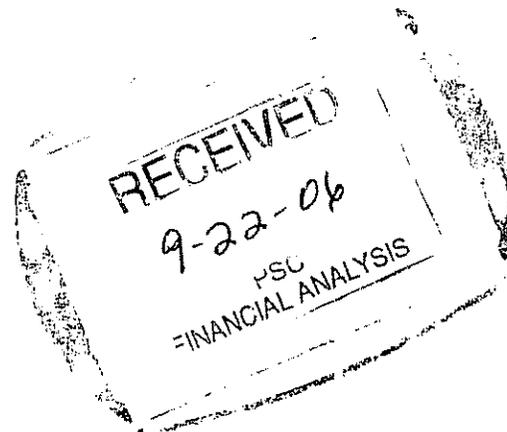
In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the October 2006 billing cycle which begins October 3, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure



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Public Service Commission

SEP 25 2006

By dn
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : August 2006

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$64,091,466}{2,061,609,522 \text{ KWH}} = (+) \$ 0.03109 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.01299 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: October 3, 2006

Submitted by



Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2006

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	36,424,704
Oil Burned	(+)	336,191
Gas Burned	(+)	14,909,201
Fuel (assigned cost during Forced Outage)	(+)	990,152
Fuel (substitute cost for Forced Outage)	(-)	607,005
SUB-TOTAL	\$	<u>52,053,243</u>
 (B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	12,422,191
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	2,256,211
Less Purchases above Highest Cost Units	(-)	110,885
Internal Economy	(+)	8,024,452
internal Replacement	(+)	68,530
SUB-TOTAL	\$	<u>18,148,077</u>
 (C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	676,868
Internal Economy	(+)	25,125
Internal Replacement	(+)	3,410,439
Dollars Assigned to Inter-System Sales Losses	(+)	6,769
SUB-TOTAL	\$	<u>4,119,201</u>
 (D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>1,990,653</u>
 TOTAL FUEL RECOVERY (A+B-C-D) =	\$	 64,091,466

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2006

(A) Generation (Net)	(+)	1,712,068,000
Purchases including interchange-in	(+)	277,952,000
Internal Economy	(+)	292,522,000
Internal Replacement	(+)	600,000
SUB-TOTAL		<u>2,283,142,000</u>
(B) Inter-system Sales including interchange-out	(+)	7,112,000
Internal Economy	(+)	349,000
Internal Replacement	(+)	87,266,000
(*) System Losses	(+)	126,805,478
SUB-TOTAL		<u>221,532,478</u>
TOTAL SALES (A-B)		<u>2,061,609,522</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : August 2006

12 Months to Date KWH Sources: 25,120,728,000 KWH
 12 MTD Overall System Losses: 1,395,202,702 KWH
 August 2006 KWH Sources: 2,283,142,000 KWH

$$1,395,202,702 / 25,120,728,000 = 5.553990\%$$

$$5.553990\% \times 2,283,142,000 = 126,805,478 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

220,493,935 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 65,806,400 Wholesale sales at Primary Voltage (WS-P)
 94,727,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	220,493,935	3.1%	7,053,986	227,547,921
WS-P:	65,806,400	3.1% & 0.7%	2,583,994	68,390,394
IS-T:	94,727,000	1.0%	956,838	95,683,838

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : August 2006

1. Last FAC Rate Billed		<u>\$0.00829</u>
2. KWH Billed at Above Rate		<u>1,697,255,442</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 14,070,248</u>
4. KWH Used to Determine Last FAC Rate		<u>1,734,715,248</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>244,110,783</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,490,604,465</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8. Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 12,357,111</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 1,713,137</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>2,061,609,522</u>
11. Kentucky Jurisdictional Sales		<u>1,774,201,400</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16199295</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 1,990,653</u>
		To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : August 2006

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 7,026,992.17	292,522,000	Fuel for LGE Sale to KU for Native Load
	997,459.37		Half of Split Savings to LGE from KU
	<u>\$ 8,024,451.54</u>	<u>292,522,000</u>	
Internal Replacement			
	\$ 8,254.81	102,000	Freed-up LGE Generation sold back to KU
	60,275.68	498,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 68,530.49</u>	<u>600,000</u>	
Total Purchases	<u>\$ 8,092,982.03</u>	<u>293,122,000</u>	
Sales			
Internal Economy			
	\$ 24,959.88	349,000	KU Fuel Cost - Sales to LGE Native Load
	164.96		Half of Split Savings
	<u>\$ 25,124.84</u>	<u>349,000</u>	
Internal Replacement			
	\$ 3,410,438.71	87,266,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,410,438.71</u>	<u>87,266,000</u>	
Total Sales	<u>\$ 3,435,563.55</u>	<u>87,615,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 24,959.88	349,000	KU Fuel Cost - Sales to LGE Native Load
	164.96		Half of Split Savings
	<u>\$ 25,124.84</u>	<u>349,000</u>	
Internal Replacement			
	\$ 3,410,438.71	87,266,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,410,438.71</u>	<u>87,266,000</u>	
Total Purchases	<u>\$ 3,435,563.55</u>	<u>87,615,000</u>	
Sales			
Internal Economy			
	\$ 7,026,992.17	292,522,000	Fuel for LGE Sale to KU for Native Load
	997,459.37		Half of Split Savings to LGE from KU
	<u>\$ 8,024,451.54</u>	<u>292,522,000</u>	
Internal Replacement			
	\$ 8,254.81	102,000	Freed-up LGE Generation sold back to KU
	60,275.68	498,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 68,530.49</u>	<u>600,000</u>	
Total Sales	<u>\$ 8,092,982.03</u>	<u>293,122,000</u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

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OCT 20 2006
PUBLIC SERVICE
COMMISSION

Robert M. Conroy
Manager - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

October 20, 2006

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the November 2006 billing cycle which begins November 1, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

CHECKED
Public Service Commission

OCT 23 2006

By 
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2006

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$35,749,056}{\text{Sales "Sm" (Sales Schedule)} \quad 1,542,043,877 \text{ KWH}} = (+) \$ 0.02318 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00508 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: November 1, 2006

Submitted by 

Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : September 2006

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	28,272,452
Oil Burned	(+)	454,406
Gas Burned	(+)	845,949
Fuel (assigned cost during Forced Outage)	(+)	1,389,442 *
Fuel (substitute cost for Forced Outage)	(-)	1,296,162 *
SUB-TOTAL	\$	29,572,807
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	3,176,841
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	86,042 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	6,535,412
Internal Replacement	(+)	-
SUB-TOTAL	\$	9,712,253
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	560,113
Internal Economy	(+)	22,817
Internal Replacement	(+)	4,182,569
Dollars Assigned to Inter-System Sales Losses	(+)	5,601
SUB-TOTAL	\$	4,771,100
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(1,235,096)
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 35,749,056

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : September 2006

(A) Generation (Net)	(+)	1,306,972,000
Purchases including interchange-in	(+)	169,915,000
Internal Economy	(+)	358,795,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,835,682,000</u>

(B) Inter-system Sales including interchange-out	(+)	21,847,000
Internal Economy	(+)	964,000
Internal Replacement	(+)	171,616,000
(*) System Losses	(+)	<u>99,211,123</u>
SUB-TOTAL		<u>293,638,123</u>

TOTAL SALES (A-B) 1,542,043,877

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : September 2006

12 Months to Date KWH Sources: 24,781,598,000 KWH
 12 MTD Overall System Losses: 1,339,344,361 KWH
 September 2006 KWH Sources: 1,835,682,000 KWH

$$1,339,344,361 / 24,781,598,000 = 5.404592\%$$

$$5.404592\% \times 1,835,682,000 = 99,211,123 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

165,251,326 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 47,000,000 Wholesale sales at Primary Voltage (WS-P)
 194,427,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	165,251,326	3.1%	5,286,678	170,538,004
WS-P:	47,000,000	3.1% & 0.7%	1,845,531	48,845,531
IS-T:	194,427,000	1.0%	1,963,909	196,390,909

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : September 2006

1. Last FAC Rate Billed		<u>\$0.00947</u>
2. KWH Billed at Above Rate		<u>1,561,438,904</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 14,786,826</u>
4. KWH Used to Determine Last FAC Rate		<u>1,945,220,063</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>271,398,909</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,673,821,154</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8. Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 15,851,086</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (1,064,260)</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,542,043,877</u>
11. Kentucky Jurisdictional Sales		<u>1,328,751,829</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16052061</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (1,235,096)</u>
		To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : September 2006

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 5,738,430.21	358,795,000	Fuel for LGE Sale to KU for Native Load
	796,981.73		Half of Split Savings to LGE from KU
	<u>\$ 6,535,411.94</u>	<u>358,795,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u><u>\$ 6,535,411.94</u></u>	<u><u>358,795,000</u></u>	
Sales			
Internal Economy	\$ 22,817.02	964,000	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ 22,817.02</u>	<u>964,000</u>	
Internal Replacement	\$ 4,182,569.18	171,616,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,182,569.18</u>	<u>171,616,000</u>	
Total Sales	<u><u>\$ 4,205,386.20</u></u>	<u><u>172,580,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 22,817.02	964,000	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ 22,817.02</u>	<u>964,000</u>	
Internal Replacement	\$ 4,182,569.18	171,616,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,182,569.18</u>	<u>171,616,000</u>	
Total Purchases	<u><u>\$ 4,205,386.20</u></u>	<u><u>172,580,000</u></u>	
Sales			
Internal Economy	\$ 5,738,430.21	358,795,000	Fuel for LGE Sale to KU for Native Load
	796,981.73		Half of Split Savings to LGE from KU
	<u>\$ 6,535,411.94</u>	<u>358,795,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u><u>\$ 6,535,411.94</u></u>	<u><u>358,795,000</u></u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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**PUBLIC SERVICE
COMMISSION**

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Manager - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

November 21, 2006

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the December 2006 billing cycle which begins December 1, 2006.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

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By _____
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2006

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$41,930,711}{\text{Sales "Sm" (Sales Schedule)} \quad 1,618,070,158 \text{ KWH}} = (+) \$ 0.02591 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00781 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: December 1, 2006

Submitted by  _____

Title: Manager, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

Expense Month : October 2006

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$	26,757,644
Oil Burned	(+)		513,607
Gas Burned	(+)		503,633
Fuel (assigned cost during Forced Outage)	(+)		755,006 *
Fuel (substitute cost for Forced Outage)	(-)		724,795 *
SUB-TOTAL		\$	<u>27,774,884</u>
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$	2,518,548
Identifiable fuel cost - other purchases	(+)		-
Identifiable fuel cost (substitute for Forced Outage)	(-)		14,486 *
Less Purchases above Highest Cost Units	(-)		-
Internal Economy	(+)		10,721,769
Internal Replacement	(+)		85
SUB-TOTAL		\$	<u>13,240,402</u>
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$	176,773
Internal Economy	(+)		-
Internal Replacement	(+)		5,532,811
Dollars Assigned to Inter-System Sales Losses	(+)		1,768
SUB-TOTAL		\$	<u>5,711,352</u>
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$	<u>(6,626,777)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =		\$	41,930,711

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : October 2006

(A) Generation (Net)	(+)	1,222,070,000
Purchases including interchange-in	(+)	150,665,000
Internal Economy	(+)	584,523,000
Internal Replacement	(+)	2,000
SUB-TOTAL		<u>1,957,260,000</u>
(B) Inter-system Sales including interchange-out	(+)	7,258,000
Internal Economy	(+)	-
Internal Replacement	(+)	227,371,000
(*) System Losses	(+)	104,560,842
SUB-TOTAL		<u>339,189,842</u>
TOTAL SALES (A-B)		<u>1,618,070,158</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : October 2006

12 Months to Date KWH Sources: 24,823,802,000 KWH
 12 MTD Overall System Losses: 1,326,138,312 KWH
 October 2006 KWH Sources: 1,957,260,000 KWH

$$1,326,138,312 / 24,823,802,000 = 5.342205\%$$

$$5.342205\% \times 1,957,260,000 = 104,560,842 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

184,194,830 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 46,259,600 Wholesale sales at Primary Voltage (WS-P)
 234,629,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	184,194,830	3.1%	5,892,714	190,087,544
WS-P:	46,259,600	3.1% & 0.7%	1,816,458	48,076,058
IS-T:	234,629,000	1.0%	2,369,990	236,998,990

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : October 2006

1. Last FAC Rate Billed		<u>\$0.01299</u>
2. KWH Billed at Above Rate		<u>1,343,854,547</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 17,456,671</u>
4. KWH Used to Determine Last FAC Rate		<u>2,061,609,522</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>287,408,122</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,774,201,400</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.01304</u>
8. Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 23,135,586</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (5,678,915)</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,618,070,158</u>
11. Kentucky Jurisdictional Sales		<u>1,386,629,226</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16690902</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (6,626,777)</u>
		To Page 2, Line D

Note 1: August fuel expense deducted Purchases Above Highest Cost Unit (page 2) twice. Reported fuel expense was \$64,091,466; correct fuel expense was \$64,202,351.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : October 2006

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 9,803,842.60	584,523,000	Fuel for LGE Sale to KU for Native Load
	917,926.84		Half of Split Savings to LGE from KU
	<u>\$ 10,721,769.44</u>	<u>584,523,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	85.46	2,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 85.46</u>	<u>2,000</u>	
Total Purchases	<u>\$ 10,721,854.90</u>	<u>584,525,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,532,811.01	227,371,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,532,811.01</u>	<u>227,371,000</u>	
Total Sales	<u>\$ 5,532,811.01</u>	<u>227,371,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 5,532,811.01	227,371,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 5,532,811.01</u>	<u>227,371,000</u>	
Total Purchases	<u>\$ 5,532,811.01</u>	<u>227,371,000</u>	
Sales			
Internal Economy	\$ 9,803,842.60	584,523,000	Fuel for LGE Sale to KU for Native Load
	917,926.84		Half of Split Savings to LGE from KU
	<u>\$ 10,721,769.44</u>	<u>584,523,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	85.46	2,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 85.46</u>	<u>2,000</u>	
Total Sales	<u>\$ 10,721,854.90</u>	<u>584,525,000</u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
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**PUBLIC SERVICE
COMMISSION**

Robert M. Conroy
Manager - Rates
T 502-627-3324
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robert.conroy@eon-us.com

December 21, 2006

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the January 2007 billing cycle which begins January 4, 2007.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : November 2006

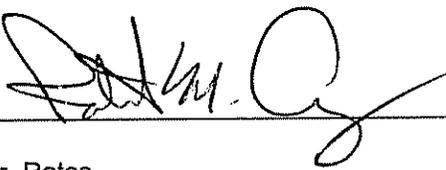
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$36,672,047}{1,630,638,928 \text{ KWH}} = (+) \$ 0.02249 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

FAC Factor (1) = \$ 0.00439 / KWH

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: January 4, 2007

Submitted by  _____
Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : November 2006

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$	34,934,765
Oil Burned	(+)		289,306
Gas Burned	(+)		184,970
Fuel (assigned cost during Forced Outage)	(+)		283,753 *
Fuel (substitute cost for Forced Outage)	(-)		227,193 *
SUB-TOTAL		\$	<u>35,409,041</u>
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$	2,226,878
Identifiable fuel cost - other purchases	(+)		-
Identifiable fuel cost (substitute for Forced Outage)	(-)		- *
Less Purchases above Highest Cost Units	(-)		-
Internal Economy	(+)		11,244,370
Internal Replacement	(+)		12,579
SUB-TOTAL		\$	<u>13,483,827</u>
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$	1,651,882
Internal Economy	(+)		395
Internal Replacement	(+)		10,275,721
Dollars Assigned to Inter-System Sales Losses	(+)		16,519
SUB-TOTAL		\$	<u>11,944,517</u>
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$	<u>276,304</u>
 TOTAL FUEL RECOVERY (A+B-C-D) =		\$	<u>36,672,047</u>

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : November 2006

(A) Generation (Net)	(+)	1,528,521,000
Purchases including interchange-in	(+)	117,227,000
Internal Economy	(+)	585,996,000
Internal Replacement	(+)	770,000
SUB-TOTAL		<u>2,232,514,000</u>
(B) Inter-system Sales including interchange-out	(+)	65,959,000
Internal Economy	(+)	10,000
Internal Replacement	(+)	419,008,000
(*) System Losses	(+)	116,898,072
SUB-TOTAL		<u>601,875,072</u>
TOTAL SALES (A-B)		<u>1,630,638,928</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : November 2006

12 Months to Date KWH Sources: 24,880,548,000 KWH
 12 MTD Overall System Losses: 1,302,786,129 KWH
 November 2006 KWH Sources: 2,232,514,000 KWH

$$1,302,786,129 / 24,880,548,000 = 5.236163\%$$

$$5.236163\% \times 2,232,514,000 = 116,898,072 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

190,622,468 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 45,544,000 Wholesale sales at Primary Voltage (WS-P)
 484,977,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	190,622,468	3.1%	6,098,345	196,720,813
WS-P:	45,544,000	3.1% & 0.7%	1,788,359	47,332,359
IS-T:	484,977,000	1.0%	4,898,758	489,875,758

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : November 2006

1. Last FAC Rate Billed		<u>\$0.00508</u>
2. KWH Billed at Above Rate		<u>1,375,225,017</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 6,986,143</u>
4. KWH Used to Determine Last FAC Rate		<u>1,542,043,877</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>213,292,048</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,328,751,829</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8. Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 6,750,059</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 236,084</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,630,638,928</u>
11. Kentucky Jurisdictional Sales		<u>1,393,275,572</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.17036354</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 276,304</u>

To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : November 2006

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 9,447,328.87	585,996,000	Fuel for LGE Sale to KU for Native Load
	1,797,041.30		Half of Split Savings to LGE from KU
	<u>\$ 11,244,370.17</u>	<u>585,996,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	12,579.18	770,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 12,579.18</u>	<u>770,000</u>	
Total Purchases	<u>\$ 11,256,949.35</u>	<u>586,766,000</u>	
Sales			
Internal Economy	\$ 270.82	10,000	KU Fuel Cost - Sales to LGE Native Load
	124.59		Half of Split Savings
	<u>\$ 395.41</u>	<u>10,000</u>	
Internal Replacement	\$ 10,275,720.81	419,008,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>\$ 10,275,720.81</u>	<u>419,008,000</u>	0 KU Generation for LGE IB
Total Sales	<u>\$ 10,276,116.22</u>	<u>419,018,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 270.82	10,000	KU Fuel Cost - Sales to LGE Native Load
	124.59		Half of Split Savings
	<u>\$ 395.41</u>	<u>10,000</u>	
Internal Replacement	\$ 10,275,720.81	419,008,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>\$ 10,275,720.81</u>	<u>419,008,000</u>	0 KU Generation for LGE IB
Total Purchases	<u>\$ 10,276,116.22</u>	<u>419,018,000</u>	
Sales			
Internal Economy	\$ 9,447,328.87	585,996,000	Fuel for LGE Sale to KU for Native Load
	1,797,041.30		Half of Split Savings to LGE from KU
	<u>\$ 11,244,370.17</u>	<u>585,996,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	12,579.18	770,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 12,579.18</u>	<u>770,000</u>	
Total Sales	<u>\$ 11,256,949.35</u>	<u>586,766,000</u>	



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
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Frankfort, Kentucky 40602

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Robert M. Conroy
Manager - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

January 23, 2007

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the February, 2007 billing cycle which begins February 2, 2007.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

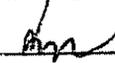
A handwritten signature in black ink, appearing to read 'Robert M. Conroy', written over a horizontal line.

Robert M. Conroy

Enclosure

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Public Service Commission

JAN 26 2007

By 
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : December 2006

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$39,581,448}{1,812,440,693 \text{ KWH}} = (+) \$ 0.02184 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00374 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: February 2, 2007

Submitted by 

Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : December 2006

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	32,916,132
Oil Burned	(+)	282,991
Gas Burned	(+)	637,896
Fuel (assigned cost during Forced Outage)	(+)	245,668
Fuel (substitute cost for Forced Outage)	(-)	253,658
SUB-TOTAL	\$	<u>33,829,028</u>
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	2,840,265
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	-
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	9,346,211
Internal Replacement	(+)	5,893
SUB-TOTAL	\$	<u>12,192,369</u>
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	304,457
Internal Economy	(+)	-
Internal Replacement	(+)	4,746,359
Dollars Assigned to Inter-System Sales Losses	(+)	3,045
SUB-TOTAL	\$	<u>5,053,861</u>
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>1,386,088</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	39,581,448

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : December 2006

(A) Generation (Net)	(+)	1,456,860,000
Purchases including interchange-in	(+)	141,846,000
Internal Economy	(+)	528,796,000
Internal Replacement	(+)	367,000
SUB-TOTAL		<u>2,127,869,000</u>
(B) Inter-system Sales including interchange-out	(+)	11,954,000
Internal Economy	(+)	-
Internal Replacement	(+)	192,050,000
(*) System Losses	(+)	111,424,307
SUB-TOTAL		<u>315,428,307</u>
TOTAL SALES (A-B)		<u>1,812,440,693</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : December 2006

12 Months to Date KWH Sources: 24,511,189,000 KWH
 12 MTD Overall System Losses: 1,283,510,614 KWH
 December 2006 KWH Sources: 2,127,869,000 KWH

$$1,283,510,614 / 24,511,189,000 = 5.236427\%$$

$$5.236427\% \times 2,127,869,000 = 111,424,307 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

209,912,910 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 47,466,400 Wholesale sales at Primary Voltage (WS-P)
 204,004,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	209,912,910	3.1%	6,715,480	216,628,390
WS-P:	47,466,400	3.1% & 0.7%	1,863,845	49,330,245
IS-T:	204,004,000	1.0%	2,060,646	206,064,646

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : December 2006

1. Last FAC Rate Billed		<u>\$0.00781</u>
2. KWH Billed at Above Rate		<u>1,538,738,651</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 12,017,549</u>
4. KWH Used to Determine Last FAC Rate		<u>1,618,070,158</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>231,440,932</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,386,629,226</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8. Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 10,829,574</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 1,187,975</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,812,440,693</u>
11. Kentucky Jurisdictional Sales		<u>1,553,389,536</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.1667651</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 1,386,088</u>
		To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : December 2006

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 8,444,162.17	528,796,000	Fuel for LGE Sale to KU for Native Load
	<u>902,049.30</u>		Half of Split Savings to LGE from KU
	\$ <u>9,346,211.47</u>	<u>528,796,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	<u>5,892.77</u>	<u>367,000</u>	LGE Generation for KU Pre-Merger Sales
	\$ <u>5,892.77</u>	<u>367,000</u>	
Total Purchases	<u>\$ 9,352,104.24</u>	<u>529,163,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	<u>-</u>	<u>-</u>	Half of Split Savings
	\$ -	0	
Internal Replacement	\$ 4,746,358.70	192,050,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>-</u>	<u>0</u>	KU Generation for LGE IB
	\$ <u>4,746,358.70</u>	<u>192,050,000</u>	
Total Sales	<u>\$ 4,746,358.70</u>	<u>192,050,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	<u>-</u>	<u>-</u>	Half of Split Savings
	\$ -	0	
Internal Replacement	\$ 4,746,358.70	192,050,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>-</u>	<u>0</u>	KU Generation for LGE IB
	\$ <u>4,746,358.70</u>	<u>192,050,000</u>	
Total Purchases	<u>\$ 4,746,358.70</u>	<u>192,050,000</u>	
Sales			
Internal Economy	\$ 8,444,162.17	528,796,000	Fuel for LGE Sale to KU for Native Load
	<u>902,049.30</u>	<u>-</u>	Half of Split Savings to LGE from KU
	\$ <u>9,346,211.47</u>	<u>528,796,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	<u>5,892.77</u>	<u>367,000</u>	LGE Generation for KU Pre-Merger Sales
	\$ <u>5,892.77</u>	<u>367,000</u>	
Total Sales	<u>\$ 9,352,104.24</u>	<u>529,163,000</u>	