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FEB 26 2007
FINANCIAL ANA

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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FEB 23 2007

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

February 23, 2007

Dear Ms. O'Donnell:

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

Enclosure

CHECKED
Public Service Commission
FEB 28 2007
By New
FINANCIAL ANALYSIS DIVISION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : January 2007

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$43,423,894}{1,965,115,220 \text{ KWH}} = (+) \$ 0.02210 / \text{KWH}$$

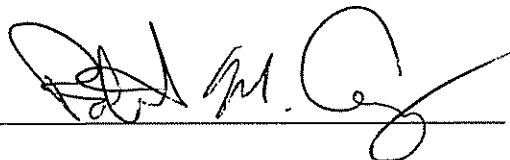
Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00400}} / \text{KWH}$$

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

Effective Date for Billing: March 5, 2007

Submitted by



Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : January 2007

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	37,637,025
Oil Burned	(+)	379,748
Gas Burned	(+)	215,528
Fuel (assigned cost during Forced Outage)	(+)	385,199 *
Fuel (substitute cost for Forced Outage)	(-)	<u>341,457 *</u>
SUB-TOTAL	\$	38,232,302
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	2,793,918
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,250 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	11,016,300
Internal Replacement	(+)	<u>16,493</u>
SUB-TOTAL	\$	13,826,711
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	523,631
Internal Economy	(+)	-
Internal Replacement	(+)	7,031,776
Dollars Assigned to Inter-System Sales Losses	(+)	<u>5,236</u>
SUB-TOTAL	\$	7,560,643
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>1,074,476</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	43,423,894

* 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 2007

(A) Generation (Net)	(+)	1,635,083,000
Purchases including interchange-in	(+)	121,746,000
Internal Economy	(+)	643,598,000
Internal Replacement	(+)	482,000
SUB-TOTAL		<u>2,400,909,000</u>
(B) Inter-system Sales including interchange-out	(+)	20,941,000
Internal Economy	(+)	-
Internal Replacement	(+)	289,795,000
(*) System Losses	(+)	125,057,780
SUB-TOTAL		<u>435,793,780</u>
TOTAL SALES (A-B)		<u>1,965,115,220</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 2007

12 Months to Date KWH Sources: 24,625,021,000 KWH
 12 MTD Overall System Losses: 1,282,660,249 KWH
 January 2006 KWH Sources: 2,400,909,000 KWH

$$1,282,660,249 / 24,625,021,000 = 5.208768\%$$

$$5.208768\% \times 2,400,909,000 = 125,057,780 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

237,255,981 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 50,376,800 Wholesale sales at Primary Voltage (WS-P)
 310,736,000 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:	237,255,981	3.1%	7,590,233	244,846,214
WS-P:	50,376,800	3.1% & 0.7%	1,978,126	52,354,926
IS-T:	310,736,000	1.0%	3,138,747	313,874,747

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

Expense Month : January 2007

1.	Last FAC Rate Billed		<u>\$0.00439</u>
2.	KWH Billed at Above Rate		<u>1,602,003,991</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 7,032,798</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,630,638,928</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>237,363,356</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,393,275,572</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>\$ 6,116,480</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 916,318</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,965,115,220</u>
11.	Kentucky Jurisdictional Sales		<u>1,675,859,012</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.17260176</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 1,074,476</u>
			To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : January 2007

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 9,417,921.96	643,598,000	Fuel for LGE Sale to KU for Native Load
	1,598,378.48		Half of Split Savings to LGE from KU
	<u>\$ 11,016,300.44</u>	<u>643,598,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	16,492.84	482,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 16,492.84</u>	<u>482,000</u>	
Total Purchases	<u>\$ 11,032,793.28</u>	<u>644,080,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 7,031,775.80	289,795,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 7,031,775.80</u>	<u>289,795,000</u>	
Total Sales	<u>\$ 7,031,775.80</u>	<u>289,795,000</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	\$ 7,031,775.80	289,795,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 7,031,775.80</u>	<u>289,795,000</u>	
Total Purchases	<u>\$ 7,031,775.80</u>	<u>289,795,000</u>	
Sales			
Internal Economy	\$ 9,417,921.96	643,598,000	Fuel for LGE Sale to KU for Native Load
	1,598,378.48	-	Half of Split Savings to LGE from KU
	<u>\$ 11,016,300.44</u>	<u>643,598,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	16,492.84	482,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 16,492.84</u>	<u>482,000</u>	
Total Sales	<u>\$ 11,032,793.28</u>	<u>644,080,000</u>	



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

March 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 April 2007 billing cycle which begins April 3, 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

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2007

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$48,327,043}{\text{Sales "Sm" (Sales Schedule)} \quad 1,987,810,977 \text{ KWH}} = (+) \$ 0.02431 / \text{KWH}$$

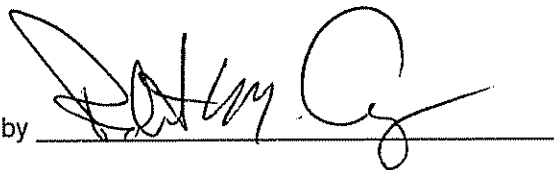
Per PSC approved Tariff Sheet No. 70 effective July 5, 2005. = (-) \$ 0.01810 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00621 / \text{KWH}}}$$

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

Effective Date for Billing: April 3, 2007

Submitted by



Title: Manager, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

Expense Month : February 2007

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	37,537,560
Oil Burned	(+)	184,314
Gas Burned	(+)	3,561,764
Fuel (assigned cost during Forced Outage)	(+)	795,142
Fuel (substitute cost for Forced Outage)	(-)	730,252
SUB-TOTAL	\$	<u>41,348,528</u>
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	2,993,334
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	75,363
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	9,635,684
Internal Replacement	(+)	10,656
SUB-TOTAL	\$	<u>12,564,311</u>
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	282,509
Internal Economy	(+)	451
Internal Replacement	(+)	4,361,190
Dollars Assigned to Inter-System Sales Losses	(+)	2,825
SUB-TOTAL	\$	<u>4,646,975</u>
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>938,821</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	48,327,043

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2007

(A) Generation (Net)	(+)	1,642,277,000
Purchases including interchange-in	(+)	151,163,000
Internal Economy	(+)	494,972,000
Internal Replacement	(+)	133,000
SUB-TOTAL		<u>2,288,545,000</u>

(B) Inter-system Sales including interchange-out	(+)	10,119,000
Internal Economy	(+)	5,000
Internal Replacement	(+)	172,740,000
(*) System Losses	(+)	117,870,023
SUB-TOTAL		<u>300,734,023</u>

TOTAL SALES (A-B) 1,987,810,977

(*) 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 2007

12 Months to Date KWH Sources: 24,887,217,000 KWH
 12 MTD Overall System Losses: 1,281,800,002 KWH
 February 2006 KWH Sources: 2,288,545,000 KWH

$$1,281,800,002 / 24,887,217,000 = 5.150435\%$$

$$5.150435\% \times 2,288,545,000 = 117,870,023 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

237,579,528 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 48,636,000 Wholesale sales at Primary Voltage (WS-P)
 182,864,000 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:	237,579,528	3.1%	7,600,583	245,180,111
WS-P:	48,636,000	3.1% & 0.7%	1,909,771	50,545,771
IS-T:	182,864,000	1.0%	1,847,111	184,711,111

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

Expense Month : February 2007

1. Last FAC Rate Billed		<u>\$0.00374</u>
2. KWH Billed at Above Rate		<u>1,768,018,178</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 6,612,388</u>
4. KWH Used to Determine Last FAC Rate		<u>1,812,440,693</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>259,051,157</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,553,389,536</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>\$ 5,809,677</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 802,711</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,987,810,977</u>
11. Kentucky Jurisdictional Sales		<u>1,699,617,997</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16956338</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 938,821</u>

To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : February 2007

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 8,483,387.56	494,972,000	Fuel for LGE Sale to KU for Native Load
	1,152,296.49		Half of Split Savings to LGE from KU
	<u>\$ 9,635,684.05</u>	<u>494,972,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	10,656.38	133,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 10,656.38</u>	<u>133,000</u>	
Total Purchases	<u>\$ 9,646,340.43</u>	<u>495,105,000</u>	
Sales			
Internal Economy			
	\$ 450.89	5,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 450.89</u>	<u>5,000</u>	
Internal Replacement			
	\$ 4,361,190.46	172,740,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,361,190.46</u>	<u>172,740,000</u>	
Total Sales	<u>\$ 4,361,641.35</u>	<u>172,745,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 450.89	5,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 450.89</u>	<u>5,000</u>	
Internal Replacement			
	\$ 4,361,190.46	172,740,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 4,361,190.46</u>	<u>172,740,000</u>	
Total Purchases	<u>\$ 4,361,641.35</u>	<u>172,745,000</u>	
Sales			
Internal Economy			
	\$ 8,483,387.56	494,972,000	Fuel for LGE Sale to KU for Native Load
	1,152,296.49		Half of Split Savings to LGE from KU
	<u>\$ 9,635,684.05</u>	<u>494,972,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	10,656.38	133,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 10,656.38</u>	<u>133,000</u>	
Total Sales	<u>\$ 9,646,340.43</u>	<u>495,105,000</u>	



an *e-on* company

Elizabeth O'Donnell, Executive Director
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Robert M. Conroy
Manager - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

April 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 May, 2007 billing cycle which begins May 3, 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

Enclosure

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FINANCIAL ANA

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2007

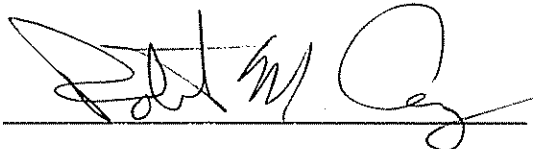
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$41,680,651}{\text{Sales "Sm" (Sales Schedule)} \quad 1,708,548,136 \text{ KWH}} = (+) \$ 0.02440 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00630 / \text{KWH}}}$$

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

Effective Date for Billing: May 3, 2007

Submitted by 

Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : March 2007

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	27,282,783
Oil Burned	(+)	622,559
Gas Burned	(+)	2,514,814
Fuel (assigned cost during Forced Outage)	(+)	979,618
Fuel (substitute cost for Forced Outage)	(-)	824,574
SUB-TOTAL	\$	30,575,200
 (B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	4,816,928
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	256,795
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	9,318,311
Internal Replacement	(+)	24,944
SUB-TOTAL	\$	13,903,388
 (C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	108,518
Internal Economy	(+)	-
Internal Replacement	(+)	3,184,353
Dollars Assigned to Inter-System Sales Losses	(+)	1,085
SUB-TOTAL	\$	3,293,956
 (D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(496,019)
 TOTAL FUEL RECOVERY (A+B-C-D) =		
	\$	41,680,651

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2007

(A) Generation (Net)	(+)	1,232,695,000
Purchases including interchange-in	(+)	208,330,000
Internal Economy	(+)	501,644,000
Internal Replacement	(+)	<u>337,000</u>
SUB-TOTAL		<u>1,943,006,000</u>

(B) Inter-system Sales including interchange-out	(+)	2,487,000
Internal Economy	(+)	-
Internal Replacement	(+)	132,960,000
(*) System Losses	(+)	<u>99,010,864</u>
SUB-TOTAL		<u>234,457,864</u>

TOTAL SALES (A-B) 1,708,548,136

(*) 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 2007

12 Months to Date KWH Sources: 24,901,009,000 KWH
 12 MTD Overall System Losses: 1,268,894,989 KWH
 March 2006 KWH Sources: 1,943,006,000 KWH

$$1,268,894,989 / 24,901,009,000 = 5.095757\%$$

$$5.095757\% \times 1,943,006,000 = 99,010,864 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

191,804,804 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 46,425,600 Wholesale sales at Primary Voltage (WS-P)
 135,447,000 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:	191,804,804	3.1%	6,136,170	197,940,974
WS-P:	46,425,600	3.1% & 0.7%	1,822,976	48,248,576
IS-T:	135,447,000	1.0%	1,368,152	136,815,152

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

Expense Month : March 2007

1. Last FAC Rate Billed		<u>\$0.00400</u>
2. KWH Billed at Above Rate		<u>1,569,289,771</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 6,277,159</u>
4. KWH Used to Determine Last FAC Rate		<u>1,965,115,220</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>289,256,208</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,675,859,012</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>\$ 6,703,436</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (426,277)</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,708,548,136</u>
11. Kentucky Jurisdictional Sales		<u>1,468,320,798</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16360685</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (496,019)</u>
		To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : March 2007

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 8,734,022.46	501,644,000	Fuel for LGE Sale to KU for Native Load
	584,288.30		Half of Split Savings to LGE from KU
	<u>\$ 9,318,310.76</u>	<u>501,644,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	24,943.93	337,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 24,943.93</u>	<u>337,000</u>	
Total Purchases	<u><u>\$ 9,343,254.69</u></u>	<u><u>501,981,000</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	\$ 3,184,352.61	132,960,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,184,352.61</u>	<u>132,960,000</u>	
Total Sales	<u><u>\$ 3,184,352.61</u></u>	<u><u>132,960,000</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	\$ 3,184,352.61	132,960,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,184,352.61</u>	<u>132,960,000</u>	
Total Purchases	<u><u>\$ 3,184,352.61</u></u>	<u><u>132,960,000</u></u>	
Sales			
Internal Economy	\$ 8,734,022.46	501,644,000	Fuel for LGE Sale to KU for Native Load
	584,288.30	-	Half of Split Savings to LGE from KU
	<u>\$ 9,318,310.76</u>	<u>501,644,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	24,943.93	337,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 24,943.93</u>	<u>337,000</u>	
Total Sales	<u><u>\$ 9,343,254.69</u></u>	<u><u>501,981,000</u></u>	



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MAY 25 2007

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

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

May 25, 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 June, 2007 billing cycle which begins June 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

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2007

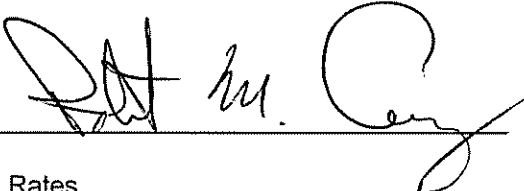
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$47,035,649}{\text{Sales "Sm" (Sales Schedule)} \quad 1,608,630,988 \text{ KWH}} = (+) \$ 0.02924 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.01114 / \text{KWH}}}$$

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

Effective Date for Billing: June 4, 2007

Submitted by 
Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : April 2007

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	26,383,690
Oil Burned	(+)	375,963
Gas Burned	(+)	6,701,448
Fuel (assigned cost during Forced Outage)	(+)	619,682
Fuel (substitute cost for Forced Outage)	(-)	368,116
SUB-TOTAL	\$	33,712,667
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	5,468,867
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	741,864
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	8,095,719
Internal Replacement	(+)	19,554
SUB-TOTAL	\$	12,842,276
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	66,658
Internal Economy	(+)	-
Internal Replacement	(+)	1,498,501
Dollars Assigned to Inter-System Sales Losses	(+)	667
SUB-TOTAL	\$	1,565,826
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(2,046,532)
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 47,035,649

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2007

(A) Generation (Net)	(+)	1,233,659,000
Purchases including interchange-in	(+)	138,020,000
Internal Economy	(+)	387,567,000
Internal Replacement	(+)	215,000
SUB-TOTAL		<u>1,759,461,000</u>

(B) Inter-system Sales including interchange-out	(+)	890,000
Internal Economy	(+)	-
Internal Replacement	(+)	59,450,000
(*) System Losses	(+)	90,490,012
SUB-TOTAL		<u>150,830,012</u>

TOTAL SALES (A-B) 1,608,630,988

(*) 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 2007

12 Months to Date KWH Sources: 24,987,011,000 KWH
 12 MTD Overall System Losses: 1,285,095,188 KWH
 April 2006 KWH Sources: 1,759,461,000 KWH

$$1,285,095,188 / 24,987,011,000 = 5.143053\%$$

$$5.143053\% \times 1,759,461,000 = 90,490,012 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

179,889,686 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 44,313,200 Wholesale sales at Primary Voltage (WS-P)
 60,340,000 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:	179,889,686	3.1%	5,754,985	185,644,671
WS-P:	44,313,200	3.1% & 0.7%	1,740,029	46,053,229
IS-T:	60,340,000	1.0%	609,495	60,949,495

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

Expense Month : April 2007

1.	Last FAC Rate Billed		<u>\$0.00621</u>
2.	KWH Billed at Above Rate		<u>1,416,248,637</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 8,794,904</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,987,810,977</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>288,192,980</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,699,617,997</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>\$ 10,554,628</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (1,759,724)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,608,630,988</u>
11.	Kentucky Jurisdictional Sales		<u>1,383,192,063</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16298454</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (2,046,532)</u>
			To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : April 2007

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 7,757,936.16	387,567,000	Fuel for LGE Sale to KU for Native Load
	337,782.45		Half of Split Savings to LGE from KU
	<u>\$ 8,095,718.61</u>	<u>387,567,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	19,553.99	215,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 19,553.99</u>	<u>215,000</u>	
Total Purchases	<u><u>\$ 8,115,272.60</u></u>	<u><u>387,782,000</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	\$ 1,498,500.69	59,450,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,498,500.69</u>	<u>59,450,000</u>	
Total Sales	<u><u>\$ 1,498,500.69</u></u>	<u><u>59,450,000</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	\$ 1,498,500.69	59,450,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,498,500.69</u>	<u>59,450,000</u>	
Total Purchases	<u><u>\$ 1,498,500.69</u></u>	<u><u>59,450,000</u></u>	
Sales			
Internal Economy	\$ 7,757,936.16	387,567,000	Fuel for LGE Sale to KU for Native Load
	337,782.45		Half of Split Savings to LGE from KU
	<u>\$ 8,095,718.61</u>	<u>387,567,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	19,553.99	215,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 19,553.99</u>	<u>215,000</u>	
Total Sales	<u><u>\$ 8,115,272.60</u></u>	<u><u>387,782,000</u></u>	



an **e-on** company

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

June 22, 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 July, 2007 billing cycle which begins July 3, 2007.

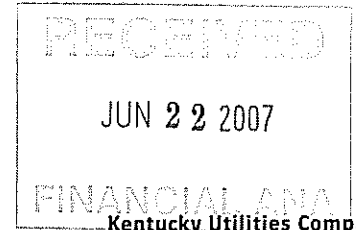
The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert M. Conroy', with a horizontal line extending to the right.

Robert M. Conroy

Enclosure



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

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JUN 22 2007

PUBLIC SERVICE
COMMISSION

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2007

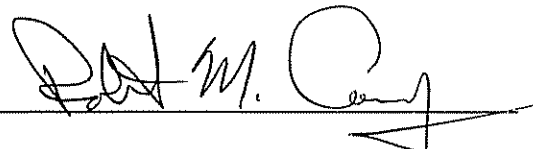
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$45,780,885}{\text{Sales "Sm" (Sales Schedule)} \quad 1,707,400,810 \text{ KWH}} = (+) \$ 0.02681 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00871 / \text{KWH}}}$$

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

Effective Date for Billing: July 3, 2007

Submitted by 
Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : May 2007

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	28,082,476
Oil Burned	(+)	458,084
Gas Burned	(+)	4,054,715
Fuel (assigned cost during Forced Outage)	(+)	1,086,173
Fuel (substitute cost for Forced Outage)	(-)	968,565
SUB-TOTAL	\$	32,712,883
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	6,460,951
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	160,649
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	8,322,794
Internal Replacement	(+)	3,234
SUB-TOTAL	\$	14,626,330
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	14,683
Internal Economy	(+)	-
Internal Replacement	(+)	2,161,668
Dollars Assigned to Inter-System Sales Losses	(+)	147
SUB-TOTAL	\$	2,176,498
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(618,170)
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	45,780,885

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2007

(A) Generation (Net)	(+)	1,279,139,000
Purchases including interchange-in	(+)	202,770,000
Internal Economy	(+)	406,497,000
Internal Replacement	(+)	40,000
SUB-TOTAL		<u>1,888,446,000</u>

(B) Inter-system Sales including interchange-out	(+)	303,000
Internal Economy	(+)	-
Internal Replacement	(+)	86,015,000
(*) System Losses	(+)	94,727,190
SUB-TOTAL		<u>181,045,190</u>

TOTAL SALES (A-B) 1,707,400,810

(*) 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 2007

12 Months to Date KWH Sources: 24,945,228,000 KWH
 12 MTD Overall System Losses: 1,251,288,905 KWH
 May 2007 KWH Sources: 1,888,446,000 KWH

$$1,251,288,905 / 24,945,228,000 = 5.016145\%$$

$$5.016145\% \times 1,888,446,000 = 94,727,190 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

181,008,377 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 51,615,600 Wholesale sales at Primary Voltage (WS-P)
 86,318,000 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:	181,008,377	3.1%	5,790,774	186,799,151
WS-P:	51,615,600	3.1% & 0.7%	2,026,770	53,642,370
IS-T:	86,318,000	1.0%	871,899	87,189,899

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

Expense Month : May 2007

1. Last FAC Rate Billed		<u>\$0.00630</u>
2. KWH Billed at Above Rate		<u>1,383,632,874</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 8,716,887</u>
4. KWH Used to Determine Last FAC Rate		<u>1,708,548,136</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>240,227,338</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,468,320,798</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>\$ 9,250,421</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (533,534)</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,707,400,810</u>
11. Kentucky Jurisdictional Sales		<u>1,473,634,282</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15863266</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (618,170)</u>
		To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : May 2007

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 7,878,666 71	406,497,000	Fuel for LGE Sale to KU for Native Load
	444,127.69		Half of Split Savings to LGE from KU
	<u>\$ 8,322,794 40</u>	<u>406,497,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	3,233.56	40,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 3,233 56</u>	<u>40,000</u>	
Total Purchases	<u><u>\$ 8,326,027.96</u></u>	<u><u>406,537,000</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			
	\$ 2,161,668 28	86,015.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,161,668 28</u>	<u>86,015.000</u>	
Total Sales	<u><u>\$ 2,161,668.28</u></u>	<u><u>86,015,000</u></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			
	\$ 2,161,668 28	86,015.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,161,668 28</u>	<u>86,015,000</u>	
Total Purchases	<u><u>\$ 2,161,668.28</u></u>	<u><u>86,015,000</u></u>	
Sales			
Internal Economy			
	\$ 7,878,666 71	406,497,000	Fuel for LGE Sale to KU for Native Load
	444,127.69		Half of Split Savings to LGE from KU
	<u>\$ 8,322,794 40</u>	<u>406,497,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	3,233.56	40,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 3,233 56</u>	<u>40,000</u>	
Total Sales	<u><u>\$ 8,326,027.96</u></u>	<u><u>406,537,000</u></u>	



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JUL 23 2007
FINANCIAL ANA

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

RECEIVED

JUL 23 2007

PUBLIC SERVICE
COMMISSION

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

July 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 August, 2007 billing cycle which begins August 2, 2007.

Included in this filing is an adjustment for gas expenses that were understated for the period January, 2007 through May, 2007. For details on the adjustment please see page 5 of 6, Note 2.

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

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2007

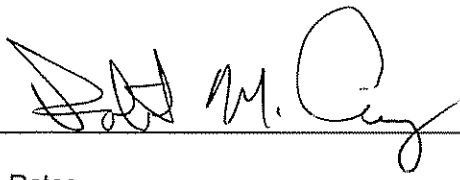
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$42,277,597}{\text{Sales "Sm" (Sales Schedule)} \quad 1,833,204,157 \text{ KWH}} = (+) \$ 0.02306 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00496 / \text{KWH}}}$$

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

Effective Date for Billing: August 2, 2007

Submitted by 
Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : June 2007

<u>(A) Company Generation</u>		
Coal Burned	(+) \$	33,068,467
Oil Burned	(+)	585,117
Gas Burned	(+)	3,729,582
Fuel (assigned cost during Forced Outage)	(+)	2,317,081
Fuel (substitute cost for Forced Outage)	(-)	2,325,507
SUB-TOTAL	\$	<u>37,374,740</u>
<u>(B) Purchases</u>		
Net energy cost - economy purchases	(+) \$	6,200,515
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	2,058,626
Less Purchases above Highest Cost Units	(-)	3,998
Internal Economy	(+)	6,560,469
Internal Replacement	(+)	58,370
SUB-TOTAL	\$	<u>10,756,730</u>
<u>(C) Inter-System Sales</u>		
Including Interchange-out	(+) \$	405,496
Internal Economy	(+)	10,697
Internal Replacement	(+)	2,142,462
Dollars Assigned to Inter-System Sales Losses	(+)	4,055
SUB-TOTAL	\$	<u>2,562,710</u>
<u>(D) Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>3,291,163</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	42,277,597

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2007

(A) Generation (Net)	(+)	1,524,871,000
Purchases including interchange-in	(+)	188,836,000
Internal Economy	(+)	315,445,000
Internal Replacement	(+)	917,000
SUB-TOTAL		<u>2,030,069,000</u>
(B) Inter-system Sales including interchange-out	(+)	8,743,000
Internal Economy	(+)	173,000
Internal Replacement	(+)	86,778,000
(*) System Losses	(+)	101,170,843
SUB-TOTAL		<u>196,864,843</u>
TOTAL SALES (A-B)		<u>1,833,204,157</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 : June 2007

12 Months to Date KWH Sources:	24,983,563,000	KWH
12 MTD Overall System Losses:	1,245,084,946	KWH
June 2007 KWH Sources:	2,030,069,000	KWH
	1,245,084,946 /	24,983,563,000 = 4.983616%
	4.983616% X	2,030,069,000 = 101,170,843 KWH

WHOLESALE KWH SALES AND LOSSES

189,974,050	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)		
56,933,200	Wholesale sales at Primary Voltage	(WS-P)		
95,694,000	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:	189,974,050	3.1%	6,077,601	196,051,651
WS-P:	56,933,200	3.1% & 0.7%	2,235,574	59,168,774
IS-T:	95,694,000	1.0%	966,606	96,660,606

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

Expense Month : June 2007

1	Last FAC Rate Billed		<u>\$0.01114</u>
2	KWH Billed at Above Rate		<u>1,530,915,242</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 17,054,396</u>
4	KWH Used to Determine Last FAC Rate		<u>1,608,630,988</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>225,438,925</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,383,192,063</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00991</u>
8	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 13,707,433</u>
9	Over or (Under) Recovery (See Note 2)	(Line 3 - Line 8)	<u>\$ 2,845,910</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,833,204,157</u>
11	Kentucky Jurisdictional Sales		<u>1,585,194,449</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15645381</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 3,291,163</u>
			To Page 2, Line D

Note 1:

Gas expense reported for April were misstated resulting in a revision to the April FAC factor

Note 2:

In June it was discovered that gas expense for the months of January through May were understated. For the January through April period, fuel expense was understated by \$651,426.08. Listed below are the corrected factors for the January through April period with a calculation to determine the under recovery by period. This amount was then combined with the current over recovery amount and placed on line 9. The May understatement will be reflected in the July 2007 expense month.

	<u>Corrected Factor</u>	<u>As Filed Factor</u>	<u>Difference</u>
January 2007	0.00400	0.00400	0.00000
February 2007	0.00621	0.00621	0.00000
March 2007	0.00664	0.00630	0.00034
April 2007	<u>0.01116</u>	<u>0.01114</u>	<u>0.00002</u>
	0.02801	0.02765	0.00036
	<u>Difference</u>	<u>Sales</u>	<u>Under Recovery</u>
January 2007	0.00000	1,569,289,771	-
February 2007	0.00000	1,416,248,637	-
March 2007	0.00034	1,383,632,874	(470,435)
April 2007	<u>0.00002</u>	<u>1,530,915,242</u>	<u>(30,618)</u>
January through April Over Recovery	0.00036		<u>(501,053)</u>
FAC Revenue/(Refund) - Line 3 above			17,054,396
Recoverable FAC Revenue/(Refund) - Line 8 above			<u>13,707,433</u>
Over recovery - Line 3 less Line 8 above			3,346,963
January through April Under Recovery			<u>(501,053)</u>
Total over recovery			<u>2,845,910</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : June 2007

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 6,118,826.42	315,445.000	Fuel for LGE Sale to KU for Native Load
	441,642.61		Half of Split Savings to LGE from KU
	<u>\$ 6,560,469.03</u>	<u>315,445,000</u>	
Internal Replacement			
	\$ 944.70	15,000	Freed-up LGE Generation sold back to KU
	57,425.74	902,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 58,370.44</u>	<u>917,000</u>	
Total Purchases	<u>\$ 6,618,839.47</u>	<u>316,362,000</u>	
Sales			
Internal Economy			
	\$ 10,412.57	173,000	KU Fuel Cost - Sales to LGE Native Load
	284.06		Half of Split Savings
	<u>\$ 10,696.63</u>	<u>173,000</u>	
Internal Replacement			
	\$ 2,142,462.25	86,778,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,142,462.25</u>	<u>86,778,000</u>	
Total Sales	<u>\$ 2,153,158.88</u>	<u>86,951,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 10,412.57	173,000	KU Fuel Cost - Sales to LGE Native Load
	284.06		Half of Split Savings
	<u>\$ 10,696.63</u>	<u>173,000</u>	
Internal Replacement			
	\$ 2,142,462.25	86,778,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,142,462.25</u>	<u>86,778,000</u>	
Total Purchases	<u>\$ 2,153,158.88</u>	<u>86,951,000</u>	
Sales			
Internal Economy			
	\$ 6,118,826.42	315,445.000	Fuel for LGE Sale to KU for Native Load
	441,642.61		Half of Split Savings to LGE from KU
	<u>\$ 6,560,469.03</u>	<u>315,445,000</u>	
Internal Replacement			
	\$ 944.70	15,000	Freed-up LGE Generation sold back to KU
	57,425.74	902,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 58,370.44</u>	<u>917,000</u>	
Total Sales	<u>\$ 6,618,839.47</u>	<u>316,362,000</u>	



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AUG 24 2007

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

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

August 24, 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 September, 2007 billing cycle which begins September 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,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', with a long horizontal line extending to the right.

Robert M. Conroy

Enclosure

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AUG 24 2007

FINANCIAL ANA

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2007

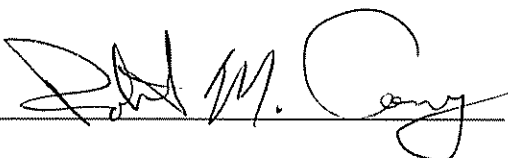
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$47,906,674}{\text{Sales "Sm" (Sales Schedule)} \quad 1,885,408,684 \text{ KWH}} = (+) \$ 0.02541 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00731 / \text{KWH}}}$$

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

Effective Date for Billing: September 4, 2007

Submitted by 
Title: Manager, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2007

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	36,052,902
Oil Burned	(+)	557,670
Gas Burned	(+)	4,264,949
Fuel (assigned cost during Forced Outage)	(+)	707,007
Fuel (substitute cost for Forced Outage)	(-)	1,066,219
SUB-TOTAL	\$	40,516,309
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	4,225,058
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	30,794
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	5,911,294
Internal Replacement	(+)	3,847
SUB-TOTAL	\$	10,109,405
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	117,946
Internal Economy	(+)	13,826
Internal Replacement	(+)	2,843,186
Dollars Assigned to Inter-System Sales Losses	(+)	1,179
SUB-TOTAL	\$	2,976,137
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(257,097)
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 47,906,674

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2007

(A) Generation (Net)	(+)	1,650,418,000
Purchases including interchange-in	(+)	169,379,000
Internal Economy	(+)	285,676,000
Internal Replacement	(+)	66,000
SUB-TOTAL		<u>2,105,539,000</u>

(B) Inter-system Sales including interchange-out	(+)	3,565,000
Internal Economy	(+)	298,000
Internal Replacement	(+)	112,054,000
(*) System Losses	(+)	104,213,316
SUB-TOTAL		<u>220,130,316</u>

TOTAL SALES (A-B) 1,885,408,684

(*) 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 2007

12 Months to Date KWH Sources: 24,852,442,000 KWH
 12 MTD Overall System Losses: 1,230,067,603 KWH
 July 2007 KWH Sources: 2,105,539,000 KWH

$$1,230,067,603 / 24,852,442,000 = 4.949484\%$$

$$4.949484\% \times 2,105,539,000 = 104,213,316 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

201,225,747 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 59,501,200 Wholesale sales at Primary Voltage (WS-P)
 115,917,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	201,225,747	3.1%	6,437,563	207,663,310
WS-P:	59,501,200	3.1% & 0.7%	2,336,410	61,837,610
IS-T:	115,917,000	1.0%	1,170,879	117,087,879

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

Expense Month : July 2007

1. Last FAC Rate Billed		<u>\$0.00871</u>
2. KWH Billed at Above Rate		<u>1,619,098,612</u>
3. FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 14,102,349</u>
4. KWH Used to Determine Last FAC Rate		<u>1,707,400,810</u>
5. Non-Jurisdictional KWH (Included in Line 4)		<u>233,766,528</u>
6. Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,473,634,282</u>
7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00972</u>
8. Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 14,323,725</u>
9. Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (221,376)</u>
10. Total Sales "Sm" (From Page 3 of 6)		<u>1,885,408,684</u>
11. Kentucky Jurisdictional Sales		<u>1,623,453,551</u>
12. Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16135672</u>
13. Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (257,097)</u>
		<u>To Page 2, Line D</u>

Note 1:

As communicated in the KU June 2007 expense month filing made on July 23, 2007, it was discovered that the gas expense for the months of January through May was understated. The adjustment for January through April was made in the June 2007 expense month filing. It has been determined that the gas expense for the month of May was understated by \$1,693,596.30. A corrected factor for May was calculated to determine the under recovery for that period.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : July 2007

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 5,354,023.99	285,676,000	Fuel for LGE Sale to KU for Native Load
	557,269.61		Half of Split Savings to LGE from KU
	<u>\$ 5,911,293.60</u>	<u>285,676,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	3,846.54	66,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 3,846.54</u>	<u>66,000</u>	
Total Purchases	<u>\$ 5,915,140.14</u>	<u>285,742,000</u>	
Sales			
Internal Economy			
	\$ 13,826.34	298,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 13,826.34</u>	<u>298,000</u>	
Internal Replacement			
	\$ 2,843,186.37	112,054,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,843,186.37</u>	<u>112,054,000</u>	
Total Sales	<u>\$ 2,857,012.71</u>	<u>112,352,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 13,826.34	298,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 13,826.34</u>	<u>298,000</u>	
Internal Replacement			
	\$ 2,843,186.37	112,054,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,843,186.37</u>	<u>112,054,000</u>	
Total Purchases	<u>\$ 2,857,012.71</u>	<u>112,352,000</u>	
Sales			
Internal Economy			
	\$ 5,354,023.99	285,676,000	Fuel for LGE Sale to KU for Native Load
	557,269.61		Half of Split Savings to LGE from KU
	<u>\$ 5,911,293.60</u>	<u>285,676,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	3,846.54	66,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 3,846.54</u>	<u>66,000</u>	
Total Sales	<u>\$ 5,915,140.14</u>	<u>285,742,000</u>	