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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

Louisville Gas and
Electric 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 compliance with 807 KAR 5:056, Louisville Gas and Electric 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 mcw
FINANCIAL ANALYSIS DIVISION

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : January 2007

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$16,707,817}{998,979,070 \text{ KWH}} = (+) \$ 0.01672 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00323}} / \text{KWH}$$

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

Effective Date for Billing: March 5, 2007

Submitted by



Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : January 2007

| | | |
|---|-----|----------------------------|
| (A) Company Generation | | |
| Coal Burned | (+) | \$25,976,613 (1) |
| Oil Burned | (+) | 48,978 (1) |
| Gas Burned | (+) | 346,490 |
| Fuel (assigned cost during Forced Outage) | (+) | 148,090 (2) |
| Fuel (substitute cost for Forced Outage) | (-) | 137,824 (2) |
| SUB-TOTAL | | <u>\$26,372,081</u> |
| (B) Purchases | | |
| Net energy cost - economy purchases | (+) | \$ 1,880,828 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | - (2) |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | - |
| Internal Replacement | (+) | 7,031,776 |
| SUB-TOTAL | | <u>\$ 8,912,604</u> |
| (C) Inter-System Sales | | |
| Including Interchange-out | (+) | \$ 7,278,973 |
| Internal Economy | (+) | 11,016,300 |
| Internal Replacement | (+) | 16,493 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 72,790 |
| SUB-TOTAL | | <u>\$18,384,556</u> |
| (D) Over or (Under) Recovery | | |
| From Page 4, Line 13 | | \$ 192,312 |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$16,707,817</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$8,182
Oil burned = \$110

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

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : January 2007

| | | |
|------------------------------------|-----|----------------------|
| (A) Generation (Net) | (+) | 1,614,502,000 |
| Purchases including interchange-in | (+) | 83,787,000 |
| Internal Economy | (+) | - |
| Internal Replacement | (+) | 289,795,000 |
| SUB-TOTAL | | <u>1,988,084,000</u> |

| | | |
|--|-----|--------------------|
| (B) Inter-system Sales including interchange-out | (+) | 294,546,000 |
| Internal Economy | (+) | 643,598,000 |
| Internal Replacement | (+) | 482,000 |
| System Losses (1,049,458,000 KWH times 4.81%) | (+) | 50,478,930 |
| SUB-TOTAL | | <u>989,104,930</u> |

TOTAL SALES (A-B) 998,979,070

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : January 2007

| | | |
|---|---------------------|--|
| 1. Last FAC Rate Billed | | 0.00153 |
| 2. KWH Billed at Above Rate | | <u>1,024,394,526</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 1,567,324</u> |
| 4. KWH Used to Determine Last FAC Rate | | 898,700,601 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>898,700,601</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 1,375,012</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ 192,312</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>998,979,070</u> |
| 11. Kentucky Jurisdictional Sales | | <u>998,979,070</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ 192,312</u> To Page 2, Line D |

Note 1:

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

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 | \$ 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 Half of Split Savings to LGE from KU |
| | 1,598,378.48 | | |
| | <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> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|------------------------|--------------------------------|---------------------------|---|
| Purchases | | | |
| Internal Economy | \$ 9,417,921.96 | 643,598,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | 1,598,378.48 | | |
| | <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> | |



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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

March 23, 2007

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Louisville Gas and Electric 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

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COMMISSION**

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
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Robert M. Conroy
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LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2007

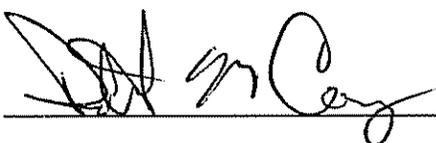
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$16,131,607}{\text{Sales "Sm" (Sales Schedule)} \quad 966,514,427 \text{ KWH}} = (+) \$ 0.01669 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00320 / \text{KWH}}}$$

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

Effective Date for Billing: April 3, 2007

Submitted by  _____

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : February 2007

| | | |
|---|----------------------------|-----|
| (A) Company Generation | | |
| Coal Burned | (+) \$22,606,787 | (1) |
| Oil Burned | (+) 2,207 | (1) |
| Gas Burned | (+) 2,180,449 | |
| Fuel (assigned cost during Forced Outage) | (+) 1,204,344 | |
| Fuel (substitute cost for Forced Outage) | (-) 1,235,284 | |
| SUB-TOTAL | <u>\$24,758,503</u> | |
| (B) Purchases | | |
| Net energy cost - economy purchases | (+) \$ 1,656,034 | |
| Identifiable fuel cost - other purchases | (+) - | |
| Identifiable fuel cost (substitute for Forced Outage) | (-) 1,551 | |
| Less Purchases Above Highest Cost Units | (-) - | |
| Internal Economy | (+) 451 | |
| Internal Replacement | (+) 4,361,190 | |
| SUB-TOTAL | <u>\$ 6,016,124</u> | |
| (C) Inter-System Sales | | |
| Including Interchange-out | (+) \$ 4,878,123 | |
| Internal Economy | (+) 9,635,684 | |
| Internal Replacement | (+) 10,656 | |
| Dollars Assigned to Inter-System Sales Losses | (+) 48,781 | |
| SUB-TOTAL | <u>\$14,573,244</u> | |
| (D) Over or (Under) Recovery | | |
| From Page 4, Line 13 | \$ 69,776 | |
| TOTAL FUEL RECOVERY (A+B-C-D) = | <u><u>\$16,131,607</u></u> | |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$8,441
Oil burned = \$5

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2007

| | | |
|------------------------------------|-----|----------------------|
| (A) Generation (Net) | (+) | 1,434,201,000 |
| Purchases including interchange-in | (+) | 84,160,000 |
| Internal Economy | (+) | 5,000 |
| Internal Replacement | (+) | 172,740,000 |
| SUB-TOTAL | | <u>1,691,106,000</u> |

| | | |
|--|-----|--------------------|
| (B) Inter-system Sales including interchange-out | (+) | 180,328,000 |
| Internal Economy | (+) | 494,972,000 |
| Internal Replacement | (+) | 133,000 |
| System Losses (1,015,673,000 KWH times 4.84%) | (+) | 49,158,573 |
| SUB-TOTAL | | <u>724,591,573</u> |

TOTAL SALES (A-B) 966,514,427

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : February 2007

| | | |
|---|---------------------|---------------------------------------|
| 1. Last FAC Rate Billed | | 0.00249 |
| 2. KWH Billed at Above Rate | | <u>996,914,229</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 2,482,316</u> |
| 4. KWH Used to Determine Last FAC Rate | | 968,891,758 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>968,891,758</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 2,412,540</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ 69,776</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>966,514,427</u> |
| 11. Kentucky Jurisdictional Sales | | <u>966,514,427</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ 69,776</u> To Page 2, Line D |

Note 1:

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

LOUISVILLE GAS AND ELECTRIC COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| 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><u>\$ 4,361,641.35</u></u> | <u><u>172,745,000</u></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><u>\$ 9,646,340.43</u></u> | <u><u>495,105,000</u></u> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| 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><u>\$ 9,646,340.43</u></u> | <u><u>495,105,000</u></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><u>\$ 4,361,641.35</u></u> | <u><u>172,745,000</u></u> | |



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Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
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Louisville Gas and
Electric Company
State Regulation and Rates
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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, Louisville Gas and Electric 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

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APR 24 2007
FINANCIAL ANA

Enclosure

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2007

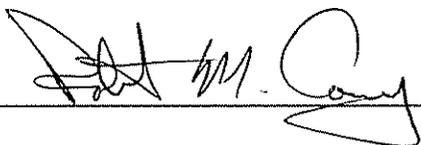
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$16,195,967}{\text{Sales "Sm" (Sales Schedule)} \quad 939,449,020 \text{ KWH}} = (+) \$ 0.01724 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00375 / \text{KWH}}}$$

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

Effective Date for Billing: May 3, 2007

Submitted by 

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : March 2007

| | | |
|---|----------------------------|-----|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) \$22,498,194 | (1) |
| Oil Burned | (+) 156,714 | (1) |
| Gas Burned | (+) 1,746,532 | |
| Fuel (assigned cost during Forced Outage) | (+) 474,206 | (2) |
| Fuel (substitute cost for Forced Outage) | (-) 464,727 | (2) |
| SUB-TOTAL | <u>\$24,401,440</u> | |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) \$ 1,089,595 | |
| Identifiable fuel cost - other purchases | (+) - | |
| Identifiable fuel cost (substitute for Forced Outage) | (-) - | (2) |
| Less Purchases Above Highest Cost Units | (-) - | |
| Internal Economy | (+) - | |
| Internal Replacement | (+) 3,184,353 | |
| SUB-TOTAL | <u>\$ 4,273,948</u> | |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) \$ 3,313,147 | |
| Internal Economy | (+) 9,318,311 | |
| Internal Replacement | (+) 24,944 | |
| Dollars Assigned to Inter-System Sales Losses | (+) 33,131 | |
| SUB-TOTAL | <u>\$12,689,533</u> | |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | \$ (210,112) | |
| TOTAL FUEL RECOVERY (A+B-C-D) = | <u><u>\$16,195,967</u></u> | |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$9,574
Oil burned = \$0

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

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2007

| | | |
|------------------------------------|-----|----------------------|
| (A) Generation (Net) | (+) | 1,416,478,000 |
| Purchases including interchange-in | (+) | 75,073,000 |
| Internal Economy | (+) | - |
| Internal Replacement | (+) | 132,960,000 |
| SUB-TOTAL | | <u>1,624,511,000</u> |

| | | |
|--|-----|--------------------|
| (B) Inter-system Sales including interchange-out | (+) | 135,299,000 |
| Internal Economy | (+) | 501,644,000 |
| Internal Replacement | (+) | 337,000 |
| System Losses (987,231,000 KWH times 4.84%) | (+) | 47,781,980 |
| SUB-TOTAL | | <u>685,061,980</u> |

TOTAL SALES (A-B) 939,449,020

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : March 2007

| | | |
|---|---------------------|--------------------------|
| 1. Last FAC Rate Billed | | 0.00323 |
| 2. KWH Billed at Above Rate | | <u>933,928,708</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 3,016,590</u> |
| 4. KWH Used to Determine Last FAC Rate | | 998,979,070 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>998,979,070</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 3,226,702</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ (210,112)</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>939,449,020</u> |
| 11. Kentucky Jurisdictional Sales | | <u>939,449,020</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ (210,112)</u> |
| | | <u>To Page 2, Line D</u> |

Note 1:

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

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 | \$ 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> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| 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> | |



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COMMISSION



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

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

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, Louisville Gas and Electric 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

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2007

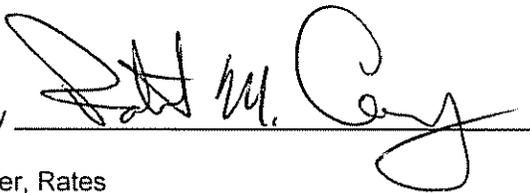
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$16,225,644}{\text{Sales "Sm" (Sales Schedule)} \quad 899,794,658 \quad \text{KWH}} = (+) \$ 0.01803 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00454 / \text{KWH}}}$$

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

Effective Date for Billing: June 4, 2007

Submitted by 
Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : April 2007

| | | |
|---|--------------------------------|-----|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) \$19,875,500 | (1) |
| Oil Burned | (+) 165,758 | (1) |
| Gas Burned | (+) 2,984,766 | |
| Fuel (assigned cost during Forced Outage) | (+) 854,021 | |
| Fuel (substitute cost for Forced Outage) | (-) 837,931 | |
| SUB-TOTAL | <u>\$23,042,114</u> | |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) \$ 1,378,675 | |
| Identifiable fuel cost - other purchases | (+) - | |
| Identifiable fuel cost (substitute for Forced Outage) | (-) 29,445 | |
| Less Purchases Above Highest Cost Units | (-) - | |
| Internal Economy | (+) - | |
| Internal Replacement | (+) 1,498,501 | |
| SUB-TOTAL | <u>\$ 2,847,731</u> | |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) \$ 1,728,258 | |
| Internal Economy | (+) 8,095,719 | |
| Internal Replacement | (+) 19,554 | |
| Dollars Assigned to Inter-System Sales Losses | (+) 17,283 | |
| SUB-TOTAL | <u>\$ 9,860,814</u> | |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | \$ (196,613) | |
| TOTAL FUEL RECOVERY (A+B-C-D) = | <u><u>\$16,225,644</u></u> | |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$8,538
Oil burned = (\$8,979)

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2007

| | | |
|------------------------------------|-----|----------------------|
| (A) Generation (Net) | (+) | 1,267,630,000 |
| Purchases including interchange-in | (+) | 67,666,680 |
| Internal Economy | (+) | - |
| Internal Replacement | (+) | 59,450,000 |
| SUB-TOTAL | | <u>1,394,746,680</u> |

| | | |
|--|-----|--------------------|
| (B) Inter-system Sales including interchange-out | (+) | 62,794,000 |
| Internal Economy | (+) | 387,567,000 |
| Internal Replacement | (+) | 215,000 |
| System Losses (944,170,680 KWH times 4.70%) | (+) | 44,376,022 |
| SUB-TOTAL | | <u>494,952,022</u> |

TOTAL SALES (A-B) 899,794,658

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : April 2007

| | | |
|---|---------------------|---------------------|
| 1. Last FAC Rate Billed | | 0.00320 |
| 2. KWH Billed at Above Rate | | <u>905,072,828</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 2,896,233</u> |
| 4. KWH Used to Determine Last FAC Rate | | 966,514,427 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>966,514,427</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 3,092,846</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ (196,613)</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>899,794,658</u> |
| 11. Kentucky Jurisdictional Sales | | <u>899,794,658</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ (196,613)</u> |

To Page 2, Line D

Note 1:

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

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 | \$ 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> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| 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> | |



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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

June 22, 2007

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Louisville Gas and Electric 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,

Robert M. Conroy

Enclosure

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

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JUN 22 2007

PUBLIC SERVICE
COMMISSION

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

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2007

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$18,911,590}{\text{Sales "Sm" (Sales Schedule)} \quad 1,071,248,813 \text{ KWH}} = (+) \$ 0.01765 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00416 / \text{KWH}}}$$

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

Effective Date for Billing: July 3, 2007

Submitted by 

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : May 2007

| | | |
|---|----------------------------|-----|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) \$23,176,786 | (1) |
| Oil Burned | (+) - | (1) |
| Gas Burned | (+) 3,010,915 | |
| Fuel (assigned cost during Forced Outage) | (+) 393,924 | |
| Fuel (substitute cost for Forced Outage) | (-) 397,402 | |
| SUB-TOTAL | <u>\$26,184,223</u> | |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) \$ 1,271,076 | |
| Identifiable fuel cost - other purchases | (+) - | |
| Identifiable fuel cost (substitute for Forced Outage) | (-) 620 | |
| Less Purchases Above Highest Cost Units | (-) - | |
| Internal Economy | (+) - | |
| Internal Replacement | (+) 2,161,668 | |
| SUB-TOTAL | <u>\$ 3,432,124</u> | |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) \$ 2,333,031 | |
| Internal Economy | (+) 8,322,794 | |
| Internal Replacement | (+) 3,234 | |
| Dollars Assigned to Inter-System Sales Losses | (+) 23,330 | |
| SUB-TOTAL | <u>\$10,682,389</u> | |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | \$ 22,368 | |
| TOTAL FUEL RECOVERY (A+B-C-D) = | <u><u>\$18,911,590</u></u> | |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$9,823
Oil burned = \$0

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2007

| | | | |
|--|-----------------------------------|-----|-----------------------------|
| (A) Generation (Net) | | (+) | 1,470,198,000 |
| Purchases including interchange-in | | (+) | 62,301,320 |
| Internal Economy | | (+) | - |
| Internal Replacement | | (+) | 86,015,000 |
| SUB-TOTAL | | | <u>1,618,514,320</u> |
| | | | |
| (B) Inter-system Sales including interchange-out | | (+) | 89,075,000 |
| Internal Economy | | (+) | 406,497,000 |
| Internal Replacement | | (+) | 40,000 |
| System Losses | (1,122,902,320 KWH times 4.60%) | (+) | 51,653,507 |
| SUB-TOTAL | | | <u>547,265,507</u> |
| | | | |
| TOTAL SALES (A-B) | | | <u><u>1,071,248,813</u></u> |

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : May 2007

| | | |
|---|---------------------|----------------------|
| 1. Last FAC Rate Billed | | 0.00375 |
| 2. KWH Billed at Above Rate | | <u>945,413,996</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 3,545,302</u> |
| 4. KWH Used to Determine Last FAC Rate | | 939,449,020 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>939,449,020</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 3,522,934</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ 22,368</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>1,071,248,813</u> |
| 11. Kentucky Jurisdictional Sales | | <u>1,071,248,813</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ 22,368</u> |
| | | To Page 2, Line D |

Note 1:

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

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>\$ 2,161,668.28</u> | <u>86,015,000</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>\$ 8,326,027.96</u> | <u>406,537,000</u> | |

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>\$ 8,326,027.96</u> | <u>406,537,000</u> | |
| | | | |
| Sales | | | |
| Internal Economy | \$ - | 0 | KU Fuel Cost - Sales to LGE Native Load |
| | - | | Half of Split Savings |
| | <u>\$ -</u> | <u>0</u> | |
| Internal Replacement | \$ 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>\$ 2,161,668.28</u> | <u>86,015,000</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

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

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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, Louisville Gas and Electric 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 4 of 5, Note 1.

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

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2007

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$19,949,769}{\text{Sales "Sm" (Sales Schedule)} \quad 1,183,815,312 \text{ KWH}} = (+) \$ 0.01685 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00336 / \text{KWH}}}$$

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

Effective Date for Billing: August 2, 2007

Submitted by _____

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : June 2007

| | | |
|---|-----|----------------------------|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) | \$23,601,525 (1) |
| Oil Burned | (+) | 45,275 (1) |
| Gas Burned | (+) | 2,210,628 |
| Fuel (assigned cost during Forced Outage) | (+) | 764,593 |
| Fuel (substitute cost for Forced Outage) | (-) | 803,281 |
| SUB-TOTAL | | <u>\$25,818,740</u> |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) | \$ 1,872,878 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | 202,493 |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | 10,697 |
| Internal Replacement | (+) | 2,142,462 |
| SUB-TOTAL | | <u>\$ 3,823,544</u> |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) | \$ 2,377,725 |
| Internal Economy | (+) | 6,560,469 |
| Internal Replacement | (+) | 58,370 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 23,777 |
| SUB-TOTAL | | <u>\$ 9,020,341</u> |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | | \$ 672,174 |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$19,949,769</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$8,462
Oil burned = \$101

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2007

| | | | |
|--|-----------------------------------|-----|--------------------------|
| (A) Generation (Net) | | (+) | 1,482,463,000 |
| Purchases including interchange-in | | (+) | 77,040,000 |
| Internal Economy | | (+) | 173,000 |
| Internal Replacement | | (+) | 86,778,000 |
| SUB-TOTAL | | | <u>1,646,454,000</u> |
| | | | |
| (B) Inter-system Sales including interchange-out | | (+) | 90,365,000 |
| Internal Economy | | (+) | 315,445,000 |
| Internal Replacement | | (+) | 917,000 |
| System Losses | (1,239,727,000 KWH times 4.51%) | (+) | 55,911,688 |
| SUB-TOTAL | | | <u>462,638,688</u> |
| | | | |
| | | | <u>TOTAL SALES (A-B)</u> |
| | | | <u>1,183,815,312</u> |

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : June 2007

| | | |
|---|---------------------|--|
| 1. Last FAC Rate Billed | | 0 00454 |
| 2. KWH Billed at Above Rate | | <u>1,123,183,800</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 5,099,254</u> |
| 4. KWH Used to Determine Last FAC Rate | | 899,794,658 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>899,794,658</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 4,085,068</u> |
| 9. Over or (Under) Recovery (See Note 1) | (Line 3 - Line 8) | <u>\$ 672,174</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>1,183,815,312</u> |
| 11. Kentucky Jurisdictional Sales | | <u>1,183,815,312</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ 672,174</u> To Page 2, Line D |

Note 1:

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 \$352,584.64. 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. Also included in the April corrected factor is a reduction of \$9,040 in oil burned to reflect the correct exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

| | <u>Corrected Factor</u> | <u>As Filed Factor</u> | <u>Difference</u> |
|---|-----------------------------|----------------------------|-----------------------|
| January 2007 | 0 00324 | 0 00323 | 0.00001 |
| February 2007 | 0 00320 | 0 00320 | 0.00000 |
| March 2007 | 0 00409 | 0 00375 | 0.00034 |
| April 2007 | <u>0.00455</u> | <u>0.00454</u> | <u>0.00001</u> |
| | 0 01508 | 0 01472 | 0 00036 |
| | | | |
| | <u>Difference</u> | <u>Sales</u> | <u>Under Recovery</u> |
| January 2007 | 0.00001 | 933,928,708 | (9,339) |
| February 2007 | 0.00000 | 905,072,828 | - |
| March 2007 | 0.00034 | 945,413,996 | (321,441) |
| April 2007 | <u>0.00001</u> | <u>1,123,183,800</u> | <u>(11,232)</u> |
| January through April Over Recovery | 0 00036 | | <u>(342,012)</u> |
| | | | |
| FAC Revenue/(Refund) - Line 3 above | | | 5,099,254 |
| Recoverable FAC Revenue/(Refund) - Line 8 above | | | <u>4,085,068</u> |
| Over recovery - Line 3 less Line 8 above | | | 1,014,186 |
| January through April Under Recovery | | | <u>(342,012)</u> |
| Total over recovery | | | <u>672,174</u> |

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

LOUISVILLE GAS AND ELECTRIC COMPANY

| | | KWH | |
|----------------------|-----------------|--------------------|---|
| Purchases | | | |
| Internal Economy | \$ 10,412 57 | 173,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | 284.06 | <u>173,000</u> | |
| | \$ 10,696 63 | | |
| | | | |
| 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 |
| | - | 0 | |
| | - | 0 | |
| | \$ 2,142,462 25 | <u>86,778,000</u> | |
| | | | |
| Total Purchases | \$ 2,153,158.88 | <u>86,951,000</u> | |
| | | | |
| Sales | | | |
| Internal Economy | \$ 6,118,826 42 | 315,445,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | 441,642.61 | <u>315,445,000</u> | |
| | \$ 6,560,469 03 | | |
| | | | |
| Internal Replacement | \$ 944 70 | 15,000 | Freed-up LGE Generation sold back to KU LGE Generation for KU Pre-Merger Sales |
| | 57,425.74 | 902,000 | |
| | 58,370 44 | 917,000 | |
| | \$ 58,370 44 | <u>917,000</u> | |
| | | | |
| Total Sales | \$ 6,618,839.47 | <u>316,362,000</u> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|----------------------|-----------------|--------------------|---|
| Purchases | | | |
| Internal Economy | \$ 6,118,826 42 | 315,445,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | 441,642.61 | <u>315,445,000</u> | |
| | \$ 6,560,469 03 | | |
| | | | |
| Internal Replacement | \$ 944 70 | 15,000 | Freed-up LGE Generation sold back to KU LGE Generation for KU Pre-Merger Sales |
| | 57,425.74 | 902,000 | |
| | 58,370 44 | 917,000 | |
| | \$ 58,370 44 | <u>917,000</u> | |
| | | | |
| Total Purchases | \$ 6,618,839.47 | <u>316,362,000</u> | |
| | | | |
| Sales | | | |
| Internal Economy | \$ 10,412 57 | 173,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | 284.06 | <u>173,000</u> | |
| | \$ 10,696 63 | | |
| | | | |
| 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 |
| | - | 0 | |
| | - | 0 | |
| | \$ 2,142,462 25 | <u>86,778,000</u> | |
| | | | |
| Total Sales | \$ 2,153,158.88 | <u>86,951,000</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

Louisville Gas and
Electric 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:

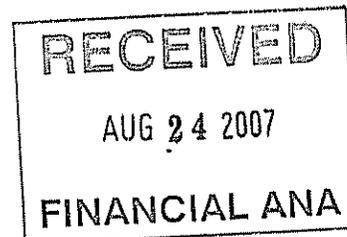
In compliance with 807 KAR 5:056, Louisville Gas and Electric Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the September, 2007 billing cycle which begins September 4, 2007.

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,

Robert M. Conroy

Enclosure





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

Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
Attention: Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

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

August 28, 2007

Dear Ms. O'Donnell:

Enclosed are revised Form A Pages 1, 2, and 4 for Louisville Gas and Electric Company for the month of July 2007. A formulaic error was discovered on line 4 of page 4 resulting in the overstatement of the Company's under recovery position by \$827 on that page and the overstatement of fuel cost "Fm" on pages 1 and 2 by the same amount. However, the resulting FAC Factor was not impacted and remains the same as originally filed on August 24, 2007.

Sincerely,

Robert M. Conroy

Enclosure

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2007
Revised August 28, 2007

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \quad \quad \$22,505,163 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad \quad \quad 1,251,296,410 \text{ KWH} \end{array} = (+) \$ 0.01799 / \text{KWH}$$

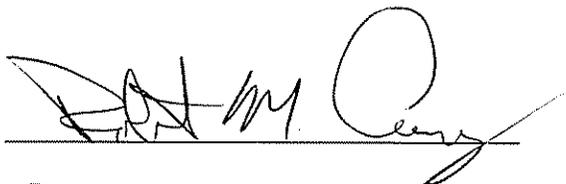
Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00450 / \text{KWH}}}$$

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

Effective Date for Billing: September 4, 2007

Submitted by



Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2007
Revised August 28, 2007

| | | |
|---|-----|----------------------------|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) | \$24,497,314 (1) |
| Oil Burned | (+) | 20,727 (1) |
| Gas Burned | (+) | 2,475,013 |
| Fuel (assigned cost during Forced Outage) | (+) | 776,619 |
| Fuel (substitute cost for Forced Outage) | (-) | 834,912 |
| SUB-TOTAL | | <u>\$26,934,761</u> |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) | \$ 1,445,118 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | 7,506 |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | 13,826 |
| Internal Replacement | (+) | 2,843,186 |
| SUB-TOTAL | | <u>\$ 4,294,624</u> |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) | \$ 3,068,355 |
| Internal Economy | (+) | 5,911,294 |
| Internal Replacement | (+) | 3,847 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 30,684 |
| SUB-TOTAL | | <u>\$ 9,014,180</u> |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | | \$ (289,958) |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$22,505,163</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$9,329
Oil burned = \$48

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2007

| | | | |
|--|-----------------------------------|-----|-----------------------------|
| (A) Generation (Net) | | (+) | 1,527,301,000 |
| Purchases including interchange-in | | (+) | 66,532,000 |
| Internal Economy | | (+) | 298,000 |
| Internal Replacement | | (+) | <u>112,054,000</u> |
| SUB-TOTAL | | | <u>1,706,185,000</u> |
| | | | |
| (B) Inter-system Sales including interchange-out | | (+) | 117,145,000 |
| Internal Economy | | (+) | 285,676,000 |
| Internal Replacement | | (+) | 66,000 |
| System Losses | (1,303,298,000 KWH times 3.99%) | (+) | <u>52,001,590</u> |
| SUB-TOTAL | | | <u>454,888,590</u> |
| | | | |
| TOTAL SALES (A-B) | | | <u><u>1,251,296,410</u></u> |

LOUISVILLE GAS AND ELECTRIC COMPANY

**FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month : July 2007
Revised August 28, 2007

| | | |
|---|---------------------|----------------------|
| 1. Last FAC Rate Billed | | 0 00416 |
| 2. KWH Billed at Above Rate | | <u>1,223,007,453</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 5,087,711</u> |
| 4. KWH Used to Determine Last FAC Rate | | 1,071,248,813 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>1,071,248,813</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | 0 00502 |
| 8. Recoverable FAC Revenue/(Refund) | (Line 7 x Line 6) | <u>\$ 5,377,669</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ (289,958)</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>1,251,296,410</u> |
| 11. Kentucky Jurisdictional Sales | | <u>1,251,296,410</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ (289,958)</u> |

To Page 2, Line D

Note 1:

As communicated in the LG&E 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 \$916,668.88. A corrected factor for May was calculated to determine the under recovery for that period.

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

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><u>\$ 2,857,012.71</u></u> | <u><u>112,352,000</u></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><u>\$ 5,915,140.14</u></u> | <u><u>285,742,000</u></u> | |

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><u>\$ 5,915,140.14</u></u> | <u><u>285,742,000</u></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><u>\$ 2,857,012.71</u></u> | <u><u>112,352,000</u></u> | |



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SEP 21 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

**Louisville Gas and
Electric 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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SEP 25 2007
FINANCIAL ANA

September 21, 2007

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Louisville Gas and Electric Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the October, 2007 billing cycle which begins October 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

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : August 2007

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \text{Sales "Sm" (Sales Schedule)} \end{array} = \frac{\$28,278,786}{1,461,670,678 \text{ KWH}} = (+) \$ 0.01935 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00586 / \text{KWH}}}$$

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

Effective Date for Billing: October 3, 2007

Submitted by 

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2007

| | | |
|---|-----|----------------------------|
| (A) Company Generation | | |
| Coal Burned | (+) | \$25,902,641 (1) |
| Oil Burned | (+) | 30,440 (1) |
| Gas Burned | (+) | 9,421,248 |
| Fuel (assigned cost during Forced Outage) | (+) | 1,270,997 |
| Fuel (substitute cost for Forced Outage) | (-) | 1,520,624 |
| SUB-TOTAL | | <u>\$35,104,702</u> |
| (B) Purchases | | |
| Net energy cost - economy purchases | (+) | \$ 1,952,998 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | 181,568 |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | 21,064 |
| Internal Replacement | (+) | 1,411,228 |
| SUB-TOTAL | | <u>\$ 3,203,722</u> |
| (C) Inter-System Sales | | |
| Including Interchange-out | (+) | \$ 1,927,905 |
| Internal Economy | (+) | 7,648,195 |
| Internal Replacement | (+) | 557 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 19,279 |
| SUB-TOTAL | | <u>\$ 9,595,936</u> |
| (D) Over or (Under) Recovery | | |
| From Page 4, Line 13 | | \$ 433,702 |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$28,278,786</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$9,354
Oil burned = \$70

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2007

| | | | |
|--|-----------------------------------|-----|-----------------------------|
| (A) Generation (Net) | | (+) | 1,699,336,000 |
| Purchases including interchange-in | | (+) | 74,812,000 |
| Internal Economy | | (+) | 301,000 |
| Internal Replacement | | (+) | 45,547,000 |
| SUB-TOTAL | | | <u>1,819,996,000</u> |
| | | | |
| (B) Inter-system Sales including interchange-out | | (+) | 52,763,000 |
| Internal Economy | | (+) | 240,042,000 |
| Internal Replacement | | (+) | 4,000 |
| System Losses | (1,527,187,000 KWH times 4.29%) | (+) | 65,516,322 |
| SUB-TOTAL | | | <u>358,325,322</u> |
| | | | |
| TOTAL SALES (A-B) | | | <u><u>1,461,670,678</u></u> |

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : August 2007

| | | |
|---|---------------------|--|
| 1. Last FAC Rate Billed | | 0.00336 |
| 2. KWH Billed at Above Rate | | <u>1,312,893,033</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 4,411,321</u> |
| 4. KWH Used to Determine Last FAC Rate | | 1,183,815,312 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>1,183,815,312</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 3,977,619</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ 433,702</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>1,461,670,678</u> |
| 11. Kentucky Jurisdictional Sales | | <u>1,461,670,678</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ 433,702</u> To Page 2, Line D |

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

LOUISVILLE GAS AND ELECTRIC COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| Internal Economy | \$ 20,994 41 | 301,000 | KU Fuel Cost - Sales to LGE Native Load |
| | 69.55 | | Half of Split Savings |
| | <u>\$ 21,063 96</u> | <u>301,000</u> | |
| Internal Replacement | \$ 1,411,228 23 | 45,547,000 | Freed-up KU Generation sold back to LGE |
| | - | 0 | KU Generation for LGE Pre-Merger |
| | - | 0 | KU Generation for LGE IB |
| | <u>\$ 1,411,228 23</u> | <u>45,547,000</u> | |
| Total Purchases | <u><u>\$ 1,432,292.19</u></u> | <u><u>45,848,000</u></u> | |
| Sales | | | |
| Internal Economy | \$ 7,200,912 50 | 240,042,000 | Fuel for LGE Sale to KU for Native Load |
| | 447,282.68 | | Half of Split Savings to LGE from KU |
| | <u>\$ 7,648,195 18</u> | <u>240,042,000</u> | |
| Internal Replacement | \$ 556 97 | 4,000 | Freed-up LGE Generation sold back to KU |
| | - | 0 | LGE Generation for KU Pre-Merger Sales |
| | <u>\$ 556 97</u> | <u>4,000</u> | |
| Total Sales | <u><u>\$ 7,648,752.15</u></u> | <u><u>240,046,000</u></u> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| Internal Economy | \$ 7,200,912 50 | 240,042,000 | Fuel for LGE Sale to KU for Native Load |
| | 447,282.68 | | Half of Split Savings to LGE from KU |
| | <u>\$ 7,648,195 18</u> | <u>240,042,000</u> | |
| Internal Replacement | \$ 556 97 | 4,000 | Freed-up LGE Generation sold back to KU |
| | - | 0 | LGE Generation for KU Pre-Merger Sales |
| | <u>\$ 556 97</u> | <u>4,000</u> | |
| Total Purchases | <u><u>\$ 7,648,752.15</u></u> | <u><u>240,046,000</u></u> | |
| Sales | | | |
| Internal Economy | \$ 20,994 41 | 301,000 | KU Fuel Cost - Sales to LGE Native Load |
| | 69.55 | | Half of Split Savings |
| | <u>\$ 21,063 96</u> | <u>301,000</u> | |
| Internal Replacement | \$ 1,411,228 23 | 45,547,000 | Freed-up KU Generation sold back to LGE |
| | - | 0 | KU Generation for LGE Pre-Merger |
| | - | 0 | KU Generation for LGE IB |
| | <u>\$ 1,411,228 23</u> | <u>45,547,000</u> | |
| Total Sales | <u><u>\$ 1,432,292.19</u></u> | <u><u>45,848,000</u></u> | |



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OCT 22 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

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OCT 22 2007
FINANCIAL ANA

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

October 22, 2007

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Louisville Gas and Electric Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the November, 2007 billing cycle which begins November 1, 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

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2007

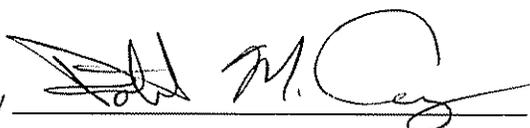
$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$20,883,251 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad 1,142,222,812 \text{ KWH} \end{array} = (+) \$ 0.01828 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005. = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00479 / \text{KWH}}}$$

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

Effective Date for Billing: November 1, 2007

Submitted by 

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : September 2007

| | | |
|---|-----|----------------------------|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) | \$21,241,577 (1) |
| Oil Burned | (+) | 109,728 (1) |
| Gas Burned | (+) | 2,994,205 |
| Fuel (assigned cost during Forced Outage) | (+) | 1,862,390 |
| Fuel (substitute cost for Forced Outage) | (-) | 1,976,360 |
| SUB-TOTAL | | <u>\$24,231,540</u> |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) | \$ 1,686,436 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | 57,443 |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | 209,406 |
| Internal Replacement | (+) | 1,429,868 |
| SUB-TOTAL | | <u>\$ 3,268,267</u> |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) | \$ 1,709,358 |
| Internal Economy | (+) | 4,496,858 |
| Internal Replacement | (+) | 81,792 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 17,094 |
| SUB-TOTAL | | <u>\$ 6,305,102</u> |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | | \$ 311,454 |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$20,883,251</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$7,719
Oil burned = \$254

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : September 2007

| | | |
|------------------------------------|-----|----------------------|
| (A) Generation (Net) | (+) | 1,337,071,000 |
| Purchases including interchange-in | (+) | 70,242,000 |
| Internal Economy | (+) | 5,211,000 |
| Internal Replacement | (+) | <u>55,937,000</u> |
| SUB-TOTAL | | <u>1,468,461,000</u> |

| | | |
|--|-----|--------------------|
| (B) Inter-system Sales including interchange-out | (+) | 60,829,000 |
| Internal Economy | (+) | 209,708,000 |
| Internal Replacement | (+) | 1,378,000 |
| System Losses (1,196,546,000 KWH times 4.54%) | (+) | <u>54,323,188</u> |
| SUB-TOTAL | | <u>326,238,188</u> |

TOTAL SALES (A-B) 1,142,222,812

LOUISVILLE GAS AND ELECTRIC COMPANY

**FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month : September 2007

| | | |
|---|---------------------|----------------------|
| 1. Last FAC Rate Billed | | 0.00450 |
| 2. KWH Billed at Above Rate | | <u>1,320,508,489</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 5,942,288</u> |
| 4. KWH Used to Determine Last FAC Rate | | 1,251,296,410 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>1,251,296,410</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 5,630,834</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ 311,454</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>1,142,222,812</u> |
| 11. Kentucky Jurisdictional Sales | | <u>1,142,222,812</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ 311,454</u> |

To Page 2, Line D

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

LOUISVILLE GAS AND ELECTRIC COMPANY

| | | KWH | |
|----------------------|------------------------|--------------------|---|
| Purchases | | | |
| Internal Economy | \$ 205,743 51 | 5,211,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | <u>3,662.19</u> | <u>5,211,000</u> | |
| | \$ 209,405 70 | | |
| | | | |
| Internal Replacement | \$ 1,429,867 86 | 55,937,000 | Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB |
| | - | | |
| | <u>-</u> | <u>55,937,000</u> | |
| | \$ 1,429,867 86 | | |
| | | | |
| Total Purchases | <u>\$ 1,639,273.56</u> | <u>61,148,000</u> | |
| | | | |
| Sales | | | |
| Internal Economy | \$ 4,187,546 89 | 209,708.000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | <u>309,311.33</u> | <u>209,708,000</u> | |
| | \$ 4,496,858 22 | | |
| | | | |
| Internal Replacement | \$ 42,970 03 | 727,000 | Freed-up LGE Generation sold back to KU LGE Generation for KU Pre-Merger Sales |
| | <u>38,821.78</u> | <u>651,000</u> | |
| | \$ 81,791 81 | 1,378,000 | |
| | | | |
| Total Sales | <u>\$ 4,578,650.03</u> | <u>211,086,000</u> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|----------------------|------------------------|--------------------|---|
| Purchases | | | |
| Internal Economy | \$ 4,187,546 89 | 209,708,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | <u>309,311.33</u> | <u>209,708,000</u> | |
| | \$ 4,496,858 22 | | |
| | | | |
| Internal Replacement | \$ 42,970 03 | 727,000 | Freed-up LGE Generation sold back to KU LGE Generation for KU Pre-Merger Sales |
| | <u>38,821.78</u> | <u>651,000</u> | |
| | \$ 81,791 81 | 1,378,000 | |
| | | | |
| Total Purchases | <u>\$ 4,578,650.03</u> | <u>211,086,000</u> | |
| | | | |
| Sales | | | |
| Internal Economy | \$ 205,743 51 | 5,211,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | <u>3,662.19</u> | <u>5,211,000</u> | |
| | \$ 209,405 70 | | |
| | | | |
| Internal Replacement | \$ 1,429,867 86 | 55,937,000 | Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB |
| | - | | |
| | <u>-</u> | <u>55,937,000</u> | |
| | \$ 1,429,867 86 | | |
| | | | |
| Total Sales | <u>\$ 1,639,273.56</u> | <u>61,148,000</u> | |



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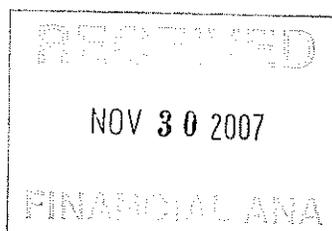
PUBLIC SERVICE
COMMISSION

Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
Attention: Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Louisville Gas and
Electric 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 30, 2007



Dear Ms. O'Donnell:

Enclosed is a revised Form A for Louisville Gas and Electric Company, to be effective with billings beginning Monday, December 3. The revision is necessary because original generation reported for the Trimble County station was incorrect, resulting in an overstatement of the nonjurisdictional portion of Trimble County fuel costs.

A corrected Form A is attached for your reference. Please contact me if you have any questions about this revision.

Sincerely,

Robert M. Conroy

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2007
Revised November 30, 2007

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$19,738,758}{999,883,525 \text{ KWH}} = (+) \$ 0.01974 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007. = (-) \$ 0.01703 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00271 / \text{KWH}}}$$

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

Effective Date for Billing: December 3, 2007

Submitted by 

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : October 2007
Revised November 30, 2007

| | | |
|---|------------------|-----|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) \$19,844,415 | (1) |
| Oil Burned | (+) 50,875 | (1) |
| Gas Burned | (+) 2,834,824 | |
| Fuel (assigned cost during Forced Outage) | (+) 1,394,399 | |
| Fuel (substitute cost for Forced Outage) | (-) 1,570,507 | |
| SUB-TOTAL | \$22,554,006 | |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) \$ 1,575,819 | |
| Identifiable fuel cost - other purchases | (+) - | |
| Identifiable fuel cost (substitute for Forced Outage) | (-) 164,396 | |
| Less Purchases Above Highest Cost Units | (-) - | |
| Internal Economy | (+) 124,648 | |
| Internal Replacement | (+) 3,507,835 | |
| SUB-TOTAL | \$ 5,043,906 | |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) \$ 3,700,433 | |
| Internal Economy | (+) 6,525,961 | |
| Internal Replacement | (+) 23,578 | |
| Dollars Assigned to Inter-System Sales Losses | (+) 37,004 | |
| SUB-TOTAL | \$10,286,976 | |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | \$ (2,427,822) | |
| TOTAL FUEL RECOVERY (A+B-C-D) = | \$19,738,758 | |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C

Coal burned = \$3,172
Oil burned = \$115

Coal and fuel oil costs are revised from the original filing submitted on November 21, 2007

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : October 2007

| | | |
|------------------------------------|-----|----------------------|
| (A) Generation (Net) | (+) | 1,284,079,000 |
| Purchases including interchange-in | (+) | 64,934,000 |
| Internal Economy | (+) | 3,153,000 |
| Internal Replacement | (+) | <u>137,380,000</u> |
| SUB-TOTAL | | <u>1,489,546,000</u> |

| | | |
|--|-----|--------------------|
| (B) Inter-system Sales including interchange-out | (+) | 140,620,000 |
| Internal Economy | (+) | 303,425,000 |
| Internal Replacement | (+) | 363,000 |
| System Losses (1,045,138,000 KWH times 4.33%) | (+) | <u>45,254,475</u> |
| SUB-TOTAL | | <u>489,662,475</u> |

TOTAL SALES (A-B) 999,883,525

LOUISVILLE GAS AND ELECTRIC COMPANY

**FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month : October 2007

| | | |
|---|---------------------|--|
| 1. Last FAC Rate Billed | | 0.00586 |
| 2. KWH Billed at Above Rate | | <u>1,047,366,494</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 6,137,568</u> |
| 4. KWH Used to Determine Last FAC Rate | | 1,461,670,678 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>1,461,670,678</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 8,565,390</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ (2,427,822)</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>999,883,525</u> |
| 11. Kentucky Jurisdictional Sales | | <u>999,883,525</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ (2,427,822)</u> To Page 2, Line D |

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : October 2007

LOUISVILLE GAS AND ELECTRIC COMPANY

| | | KWH | |
|----------------------|------------------------|--------------------|---|
| Purchases | | | |
| Internal Economy | | | |
| | \$ 121,941.72 | 3,153,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | <u>2,706.38</u> | | |
| | \$ 124,648.10 | <u>3,153,000</u> | |
| Internal Replacement | | | |
| | \$ 3,507,835.38 | 137,380,000 | Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB |
| | - | 0 | |
| | <u>-</u> | <u>0</u> | |
| | \$ 3,507,835.38 | <u>137,380,000</u> | |
| Total Purchases | <u>\$ 3,632,483.48</u> | <u>140,533,000</u> | |
| Sales | | | |
| Internal Economy | | | |
| | \$ 5,834,589.31 | 303,425,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | <u>691,372.08</u> | | |
| | \$ 6,525,961.39 | <u>303,425,000</u> | |
| Internal Replacement | | | |
| | \$ 652.43 | 12,000 | Freed-up LGE Generation sold back to KU LGE Generation for KU Pre-Merger Sales |
| | <u>22,925.46</u> | <u>351,000</u> | |
| | \$ 23,577.89 | <u>363,000</u> | |
| Total Sales | <u>\$ 6,549,539.28</u> | <u>303,788,000</u> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|----------------------|------------------------|--------------------|---|
| Purchases | | | |
| Internal Economy | | | |
| | \$ 5,834,589.31 | 303,425,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | <u>691,372.08</u> | | |
| | \$ 6,525,961.39 | <u>303,425,000</u> | |
| Internal Replacement | | | |
| | \$ 652.43 | 12,000 | Freed-up LGE Generation sold back to KU LGE Generation for KU Pre-Merger Sales |
| | <u>22,925.46</u> | <u>351,000</u> | |
| | \$ 23,577.89 | <u>363,000</u> | |
| Total Purchases | <u>\$ 6,549,539.28</u> | <u>303,788,000</u> | |
| Sales | | | |
| Internal Economy | | | |
| | \$ 121,941.72 | 3,153,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | <u>2,706.38</u> | | |
| | \$ 124,648.10 | <u>3,153,000</u> | |
| Internal Replacement | | | |
| | \$ 3,507,835.38 | 137,380,000 | Freed-up KU Generation sold back to LGE 0 KU Generation for LGE Pre-Merger 0 KU Generation for LGE IB |
| | - | 0 | |
| | <u>-</u> | <u>0</u> | |
| | \$ 3,507,835.38 | <u>137,380,000</u> | |
| Total Sales | <u>\$ 3,632,483.48</u> | <u>140,533,000</u> | |



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DEC 21 2007
FINANCIAL ANA

Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
Attention: Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

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DEC 21 2007

PUBLIC SERVICE
COMMISSION

Louisville Gas and
Electric 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

December 21, 2007

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Louisville Gas and Electric Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the January 2008 billing cycle which begins January 4, 2008.

The determination of the November expense month billing factor uses the base fuel factor of \$0.01349/kWh, the base fuel factor actually in effect during November billings. LG&E inadvertently used the new base fuel factor of \$0.01703/kWh when determining the October expense month FAC billing factor, and this error results in an under-collection of incurred fuel expense, as shown on the attached Exhibit 1. LG&E will determine the October under-collection of fuel expense on Page 4 of 5 on the December 2007 expense month Form A by revising the FAC billing factor applied to December sales.

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
Manager, Rates

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : November 2007

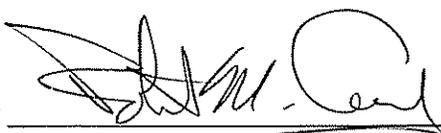
$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$17,206,366 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad 894,235,048 \text{ KWH} \end{array} = (+) \$ 0.01924 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005 = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00575}} / \text{KWH}$$

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

Effective Date for Billing: January 4, 2008

Submitted by 

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : November 2007

| | | |
|---|---------------------|----------------------------|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) \$19,488,213 | (1) |
| Oil Burned | (+) 172,288 | (1) |
| Gas Burned | (+) 1,529,960 | |
| Fuel (assigned cost during Forced Outage) | (+) 1,993,376 | |
| Fuel (substitute cost for Forced Outage) | (-) 2,032,116 | |
| SUB-TOTAL | <u>\$21,151,721</u> | |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) \$ 1,807,964 | |
| Identifiable fuel cost - other purchases | (+) - | |
| Identifiable fuel cost (substitute for Forced Outage) | (-) 199,823 | |
| Less Purchases Above Highest Cost Units | (-) - | |
| Internal Economy | (+) 190,520 | |
| Internal Replacement | (+) 2,452,400 | |
| SUB-TOTAL | <u>\$ 4,251,061</u> | |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) \$ 2,686,493 | |
| Internal Economy | (+) 6,664,636 | |
| Internal Replacement | (+) 32,062 | |
| Dollars Assigned to Inter-System Sales Losses | (+) 26,865 | |
| SUB-TOTAL | <u>\$ 9,410,056</u> | |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | | \$ (1,213,640) |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$17,206,366</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$2,807
Oil burned = \$385

LOUISVILLE GAS AND ELECTRIC COMPANY

SALES SCHEDULE (KWH)

Expense Month : November 2007

| | | | |
|--|---------------------------------|-----|--------------------------|
| (A) Generation (Net) | | (+) | 1,227,847,000 |
| Purchases including interchange-in | | (+) | 75,392,000 |
| Internal Economy | | (+) | 2,592,000 |
| Internal Replacement | | (+) | 92,515,000 |
| SUB-TOTAL | | | <u>1,398,346,000</u> |
| | | | |
| (B) Inter-system Sales including interchange-out | | (+) | 96,117,000 |
| Internal Economy | | (+) | 363,473,000 |
| Internal Replacement | | (+) | 616,000 |
| System Losses | (938,140,000 KWH times 4.68%) | (+) | 43,904,952 |
| SUB-TOTAL | | | <u>504,110,952</u> |
| | | | |
| | | | <u>TOTAL SALES (A-B)</u> |
| | | | <u>894,235,048</u> |

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : November 2007

| | | |
|---|---------------------|-----------------------|
| 1. Last FAC Rate Billed | | 0.00479 |
| 2. KWH Billed at Above Rate | | <u>888,853,289</u> |
| 3. FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 4,257,607</u> |
| 4. KWH Used to Determine Last FAC Rate | | 1,142,222,812 |
| 5. Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>1,142,222,812</u> |
| 7. Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | - |
| 8. Recoverable FAC Revenue/(Refund) | (Line 1 x Line 6) | <u>\$ 5,471,247</u> |
| 9. Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ (1,213,640)</u> |
| 10. Total Sales "Sm" (From Page 3 of 5) | | <u>894,235,048</u> |
| 11. Kentucky Jurisdictional Sales | | <u>894,235,048</u> |
| 12. Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ (1,213,640)</u> |

To Page 2, Line D

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

LOUISVILLE GAS AND ELECTRIC COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| Internal Economy | \$ 190,520.17 | 2,592,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | - | - | |
| | <u>\$ 190,520.17</u> | <u>2,592,000</u> | |
| Internal Replacement | \$ 2,452,400.30 | 92,515,000 | Freed-up KU Generation sold back to LGE |
| | - | 0 | KU Generation for LGE Pre-Merger |
| | - | 0 | KU Generation for LGE IB |
| | <u>\$ 2,452,400.30</u> | <u>92,515,000</u> | |
| Total Purchases | <u><u>\$ 2,642,920.47</u></u> | <u><u>95,107,000</u></u> | |
| Sales | | | |
| Internal Economy | \$ 6,050,402.87 | 363,473,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | 614,233.08 | - | |
| | <u>\$ 6,664,635.95</u> | <u>363,473,000</u> | |
| Internal Replacement | \$ - | 0 | Freed-up LGE Generation sold back to KU |
| | 32,062.25 | 616,000 | LGE Generation for KU Pre-Merger Sales |
| | <u>\$ 32,062.25</u> | <u>616,000</u> | |
| Total Sales | <u><u>\$ 6,696,698.20</u></u> | <u><u>364,089,000</u></u> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|------------------------|-------------------------------|---------------------------|---|
| Purchases | | | |
| Internal Economy | \$ 6,050,402.87 | 363,473,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | 614,233.08 | - | |
| | <u>\$ 6,664,635.95</u> | <u>363,473,000</u> | |
| Internal Replacement | \$ - | 0 | Freed-up LGE Generation sold back to KU |
| | 32,062.25 | 616,000 | LGE Generation for KU Pre-Merger Sales |
| | <u>\$ 32,062.25</u> | <u>616,000</u> | |
| Total Purchases | <u><u>\$ 6,696,698.20</u></u> | <u><u>364,089,000</u></u> | |
| Sales | | | |
| Internal Economy | \$ 190,520.17 | 2,592,000 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | - | - | |
| | <u>\$ 190,520.17</u> | <u>2,592,000</u> | |
| Internal Replacement | \$ 2,452,400.30 | 92,515,000 | Freed-up KU Generation sold back to LGE |
| | - | 0 | KU Generation for LGE Pre-Merger |
| | - | 0 | KU Generation for LGE IB |
| | <u>\$ 2,452,400.30</u> | <u>92,515,000</u> | |
| Total Sales | <u><u>\$ 2,642,920.47</u></u> | <u><u>95,107,000</u></u> | |

LG&E

Exhibit 1

**Change to Base Fuel Factor –
October 2007 Expense Month**

Louisville Gas and Electric Company Fuel Recovery Position, October 2007

| | | Actual October FAC Billing Factor (a) | Corrected October FAC Billing Factor (b) |
|---|------------|---|---|
| (1) October Fuel Expense | Form A | \$ 19,738,758 | \$ 19,738,758 |
| (2) October Fuel Cost per kWh | Form A | \$ 0.01974 | \$ 0.01974 |
| (3) October Retail Energy Sales, kWh | | 1,047,366,494 | 1,047,366,494 |
| (4) Fuel Expense Recoverable from Retail Customers | (2) x (3) | \$ 20,675,015 | \$ 20,675,015 |
| (5) Base Fuel Factor in effect in October | | \$ 0.01349 | \$ 0.01349 |
| (6) Base Fuel Factor used to calculate October FAC factor | | \$ 0.01703 | |
| (7) Fuel Expense Recovered through Base Rates, October | (3) x (5) | \$ 14,128,974 | \$ 14,128,974 |
| (8) FAC Billing Factor, actual | (2) - (6) | \$ 0.00271 | |
| (9) FAC Billing Factor, correct | (2) - (5) | | \$ 0.00625 |
| (10) Fuel Expense Recovered through Billing Factor | (3) x (8) | \$ 2,838,363 | \$ 6,546,041 |
| (11) Total Fuel Expense Recovered | (7) + (10) | \$ 16,967,337 | \$ 20,675,015 |
| (12) Over/(Under) Recovery | (11) - (4) | \$ (3,707,677) | \$ - |



RECEIVED

JAN 25 2008

**PUBLIC SERVICE
COMMISSION**

Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
Attention: Daryl Newby
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

**Louisville Gas and
Electric 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

January 25, 2008

Dear Ms. O'Donnell:

In compliance with 807 KAR 5:056, Louisville Gas and Electric Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the February 2008 billing cycle which begins February 4, 2008.

The determination of the December expense month billing factor includes two adjustments. The first adjustment reflects the correction to the October 2007 expense month filing in which LG&E inadvertently used the new base fuel factor of \$0.01703/kWh instead of the base fuel factor actually in effect during October billings. LG&E informed the Commission of this adjustment in its December 21, 2007 cover letter and in Exhibit 1 to its November expense month FAC filing.

Additionally, LG&E received revised invoices from its coal suppliers reflecting increased costs due to the implementation of certain requirements imposed by the Federal Mine Safety and Health Administration as a result of the Mine Improvement and New Emergency Response Act of 2006. As stated in response to Information Requested in Appendix A of Commission's Order Dated August 3, 2007 (Case No. 2007-00279), Question No. 10, and in accordance with Section 8.4 – New Imposition, LG&E's coal contracts allow its vendors to include costs associated with complying with regulations in the total coal price charged. The revised invoices were dated in September and LG&E increased the dollar value of coal purchases added to inventory in September.

Mr. Daryl Newby
January 25, 2008

This results in a slight increase in coal expense for the months of September, October and November. The December expense month filing includes the impact of the increased expense for September and October; November's cost impact will be reflected in the determination of the over/under recovery of November fuel expense in the January expense month filing.

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". The signature is stylized with a large, looped initial "C" and a long horizontal stroke at the end.

Robert M. Conroy
Manager, Rates

Enclosures

LOUISVILLE GAS AND ELECTRIC COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : December 2007

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$22,668,549 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad 982,930,988 \quad \text{KWH} \end{array} = (+) \$ 0.02306 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective December 3, 2007 = (-) \$ 0.01703 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00603 / \text{KWH}}}$$

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

Effective Date for Billing: February 4, 2008

Submitted by 

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : December 2007

| | | |
|---|-----|----------------------------|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) | \$24,803,204 (1) |
| Oil Burned | (+) | 427,981 (1) |
| Gas Burned | (+) | 1,254,320 |
| Fuel (assigned cost during Forced Outage) | (+) | 480,785 (2) |
| Fuel (substitute cost for Forced Outage) | (-) | 478,242 (2) |
| SUB-TOTAL | | <u>\$26,485,505</u> |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) | \$ 1,533,656 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | - (2) |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | - |
| Internal Replacement | (+) | 4,500,469 |
| SUB-TOTAL | | <u>\$ 6,034,125</u> |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) | \$ 4,845,173 |
| Internal Economy | (+) | 8,909,821 |
| Internal Replacement | (+) | 33 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 48,452 |
| SUB-TOTAL | | <u>\$13,803,479</u> |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 15 | | \$ (3,952,398) |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$22,668,549</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$9,685
Oil burned = \$144

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

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : December 2007

| | | | |
|-----|--|---------------------|--|
| 1. | Last FAC Rate Billed | | 0.00271 |
| 2. | KWH Billed at Above Rate | | <u>944,509,714</u> |
| 3. | FAC Revenue/(Refund) | (Line 1 x Line 2) | <u>\$ 2,559,621</u> |
| 4. | KWH Used to Determine Last FAC Rate | | 999,883,525 |
| 5. | Non-Jurisdictional KWH (Included in Line 4) | | <u>0</u> |
| 6. | Kentucky Jurisdictional KWH | (Line 4 - Line 5) | <u>999,883,525</u> |
| 7. | Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1) | | 0.00633 |
| 8. | Recoverable FAC Revenue/(Refund) | (Line 7 x Line 6) | <u>\$ 6,329,263</u> |
| 9. | Over or (Under) Recovery | (Line 3 - Line 8) | <u>\$ (3,769,642)</u> |
| 10. | Total Sales "Sm" (From Page 3 of 5) | | <u>982,930,988</u> |
| 11. | Kentucky Jurisdictional Sales | | <u>982,930,988</u> |
| 12. | Total Sales Divided by Kentucky Jurisdictional Sales | (Line 10 / Line 11) | <u>1.00000000</u> |
| 13. | Total Company Over or (Under) Recovery | (Line 9 x Line 12) | <u>\$ (3,769,642)</u> |
| 14. | Additional (Under) Recovery -- September 2007 | See Note 2 | <u>\$ (182,756)</u> |
| 15. | Total Company Over or (Under) Recovery | (Line 13 + Line 14) | <u>\$ (3,952,398)</u> To Page 2, Line D |

Note 1: As communicated in the LG&E November 2007 expense month filing made on December 21, 2007, it was discovered that the revised base fuel factor was used to calculate the October FAC billing factor. However, October expenses must be recovered using the base fuel factor in effect during October retail billings. Further, October fuel expense was increased as a result of the 2006 Mine Safety Act. Total October fuel expense results in an actual billing factor of \$0.00633/kWh. Please see Exhibit 1, Page 2.

Note 2: Additionally, LG&E is adjusting its December under-recovery balance by \$182,756 -- the amount by which September fuel expense was adjusted as explained in the attached Exhibit 1. This amount reflects the additional fuel cost incurred by LG&E as a result of the 2006 Mine Safety Act.

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

LOUISVILLE GAS AND ELECTRIC COMPANY

| | | KWH | |
|------------------------|------------------------|---------------------------|---|
| Purchases | | | |
| Internal Economy | \$ - | 0 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | \$ - | <u>0</u> | |
| Internal Replacement | \$ 4,500,469.00 | 188,654,000 | Freed-up KU Generation sold back to LGE |
| | - | 0 | KU Generation for LGE Pre-Merger |
| | - | 0 | KU Generation for LGE IB |
| | \$ 4,500,469.00 | <u>188,654,000</u> | |
| Total Purchases | \$ 4,500,469.00 | <u>188,654,000</u> | |
| Sales | | | |
| Internal Economy | \$ 8,025,570.23 | 511,119,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | 884,250.81 | <u>511,119,000</u> | |
| | \$ 8,909,821.04 | | |
| Internal Replacement | \$ - | 0 | Freed-up LGE Generation sold back to KU |
| | 33.03 | 2,000 | LGE Generation for KU Pre-Merger Sales |
| | \$ 33.03 | <u>2,000</u> | |
| Total Sales | \$ 8,909,854.07 | <u>511,121,000</u> | |

KENTUCKY UTILITIES COMPANY

| | | KWH | |
|------------------------|------------------------|---------------------------|---|
| Purchases | | | |
| Internal Economy | \$ 8,025,570.23 | 511,119,000 | Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU |
| | 884,250.81 | <u>511,119,000</u> | |
| | \$ 8,909,821.04 | | |
| Internal Replacement | \$ - | 0 | Freed-up LGE Generation sold back to KU |
| | 33.03 | 2,000 | LGE Generation for KU Pre-Merger Sales |
| | \$ 33.03 | <u>2,000</u> | |
| Total Purchases | \$ 8,909,854.07 | <u>511,121,000</u> | |
| Sales | | | |
| Internal Economy | \$ - | 0 | KU Fuel Cost - Sales to LGE Native Load Half of Split Savings |
| | - | <u>0</u> | |
| | \$ - | | |
| Internal Replacement | \$ 4,500,469.00 | 188,654,000 | Freed-up KU Generation sold back to LGE |
| | - | 0 | KU Generation for LGE Pre-Merger |
| | - | 0 | KU Generation for LGE IB |
| | \$ 4,500,469.00 | <u>188,654,000</u> | |
| Total Sales | \$ 4,500,469.00 | <u>188,654,000</u> | |

LGE Fuel Adjustment Clause

December 2007

Exhibit 1

FAC Adjustment due to Mine Safety Accruals

| Calculate retail under-collection for September: | Louisville Gas and Electric Company | | |
|--|-------------------------------------|---------------|-------------|
| | As Filed | Revised | Difference |
| Fuel Expense, F(m) | \$ 20,883,251 | \$ 21,058,142 | \$ 174,891 |
| Sales, S(m) | 1,142,222,812 | 1,142,222,812 | |
| | | | |
| Fuel expense per kWh | 0.01828 | 0.01844 | 0.00016 |
| Fuel factor billed in November | 0.00479 | 0.00495 | 0.00016 |
| November sales, kWh | 888,853,289 | 888,853,289 | |
| FAC Revenue | 4,257,607.25 | 4,257,607.25 | |
| KWH Used to Determine Last FAC Rate | 1,142,222,812 | 1,142,222,812 | |
| Non-Jurisdictional KWH (Included in Line 4) | - | - | |
| Kentucky Jurisdictional KWH | 1,142,222,812 | 1,142,222,812 | |
| Recoverable FAC Revenue/(Refund) | 5,471,247 | 5,654,003 | 182,756 |
| Over or (Under) Recovery | (1,213,640) | (1,396,396) | (182,756) |
| Total Sales "Sm" (From Page 3 of 6) | 894,235,048 | 894,235,048 | |
| Kentucky Jurisdictional Sales | 894,235,048 | 894,235,048 | |
| Total Sales Divided by Kentucky Jurisdictional Sales | 1 | 1 | |
| Total Company Over or (Under) Recovery | (1,213,640) | (1,396,396) | (182,756) * |

* Include as addition to December expense month over/under recovery

FAC Adjustment due to Correction for October Expense Month and Mine Safety Accruals

| Calculate retail under-collection for October: | Louisville Gas and Electric Company | | |
|--|-------------------------------------|---------------|------------|
| | As Filed | Revised | Difference |
| Fuel Expense, F(m) | \$ 19,738,758 | \$ 19,820,029 | \$ 81,271 |
| Sales, S(m) | 999,883,525 | 999,883,525 | |
| | | | |
| Fuel expense per kWh | 0.01974 | 0.01982 | 0.00008 |
| Fuel factor billed in December | 0.00271 | 0.00633 | 0.00362 |
| December sales, kWh | 944,509,714 | 944,509,714 | |
| FAC Revenue | 2,559,621.32 | 2,559,621.32 | |
| KWH Used to Determine Last FAC Rate | 999,883,525 | 999,883,525 | |
| Non-Jurisdictional KWH (Included in Line 4) | - | - | |
| Kentucky Jurisdictional KWH | 999,883,525 | 999,883,525 | |
| Recoverable FAC Revenue/(Refund) | | 6,329,263 | |
| Over or (Under) Recovery | | (3,769,641) | |
| Total Sales "Sm" (From Page 3 of 6) | | 982,930,988 | |
| Kentucky Jurisdictional Sales | | 982,930,988 | |
| Total Sales Divided by Kentucky Jurisdictional Sales | | 1 | |
| Total Company Over or (Under) Recovery | | (3,769,641) | |

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2007 as Revised January 25, 2008

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$21,058,142}{\text{Sales "Sm" (Sales Schedule)} \quad 1,142,222,812 \text{ KWH}} = (+) \$ 0.01844 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005 = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00495 / \text{KWH}}}$$

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

Effective Date for Billing: February 4, 2008

Submitted by _____

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : September 2007 as Revised January 25, 2008

| | | |
|---|--------|--------------------------|
| (A) <u>Company Generation</u> | | |
| Coal Burned | (+) \$ | 21,416,468 (1) |
| Oil Burned | (+) | 109,728 (1) |
| Gas Burned | (+) | 2,994,205 |
| Fuel (assigned cost during Forced Outage) | (+) | 1,862,390 |
| Fuel (substitute cost for Forced Outage) | (-) | 1,976,360 |
| SUB-TOTAL | \$ | <u>24,406,431</u> |
| (B) <u>Purchases</u> | | |
| Net energy cost - economy purchases | (+) \$ | 1,686,436 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | 57,443 |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | 209,406 |
| Internal Replacement | (+) | 1,429,868 |
| SUB-TOTAL | \$ | <u>3,268,267</u> |
| (C) <u>Inter-System Sales</u> | | |
| Including Interchange-out | (+) \$ | 1,709,358 |
| Internal Economy | (+) | 4,496,858 |
| Internal Replacement | (+) | 81,792 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 17,094 |
| SUB-TOTAL | \$ | <u>6,305,102</u> |
| (D) <u>Over or (Under) Recovery</u> | | |
| From Page 4, Line 13 | \$ | 311,454 |
| TOTAL FUEL RECOVERY (A+B-C-D) = | \$ | <u><u>21,058,142</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$2,807
Oil burned = \$385

LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2007 as Revised January 25, 2008

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \quad \quad \$19,820,029 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad \quad \quad 999,883,525 \quad \text{KWH} \end{array} = (+) \$ \quad 0.01982 \quad / \text{KWH}$$

Per PSC approved Tariff Sheet No. 70 effective June 30, 2005 = (-) \$ 0.01349 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ \quad 0.00633 \quad / \text{KWH}}}$$

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

Effective Date for Billing: February 4, 2008

Submitted by _____

Title: Manager, Rates

**LOUISVILLE GAS AND ELECTRIC COMPANY
FUEL COST SCHEDULE**

Expense Month : October 2007 as Revised January 25, 2008

| | | |
|---|-----|----------------------------|
| (A) Company Generation | | |
| Coal Burned | (+) | \$19,925,686 (1) |
| Oil Burned | (+) | 50,875 (1) |
| Gas Burned | (+) | 2,834,824 |
| Fuel (assigned cost during Forced Outage) | (+) | 1,394,399 |
| Fuel (substitute cost for Forced Outage) | (-) | 1,570,507 |
| SUB-TOTAL | | <u>\$22,635,277</u> |
| (B) Purchases | | |
| Net energy cost - economy purchases | (+) | \$ 1,575,819 |
| Identifiable fuel cost - other purchases | (+) | - |
| Identifiable fuel cost (substitute for Forced Outage) | (-) | 164,396 |
| Less Purchases Above Highest Cost Units | (-) | - |
| Internal Economy | (+) | 124,648 |
| Internal Replacement | (+) | 3,507,835 |
| SUB-TOTAL | | <u>\$ 5,043,906</u> |
| (C) Inter-System Sales | | |
| Including Interchange-out | (+) | \$ 3,700,433 |
| Internal Economy | (+) | 6,525,961 |
| Internal Replacement | (+) | 23,578 |
| Dollars Assigned to Inter-System Sales Losses | (+) | 37,004 |
| SUB-TOTAL | | <u>\$10,286,976</u> |
| (D) Over or (Under) Recovery | | |
| From Page 4, Line 13 | | \$ (2,427,822) |
| TOTAL FUEL RECOVERY (A+B-C-D) = | | <u><u>\$19,820,029</u></u> |

Notes: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$2,807
Oil burned = \$385