an © 0 company

Elizabeth O'Donnell<br>Executive Director<br>Kentucky Public Service Commission<br>211 Sower Boulevard<br>Frankfort, Kentucky 40602

November 21, 2007

Dear Ms. O'Donnell:

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

Pursuant to the Commission's Order dated June 30, 2004, in Case No. 200300433, Louisville Gas and Electric Company ("LG\&E") filed an experimental electric tariff P.S.C. No. 62 for the Small Time of Day Service ("STOD"). That electric tariff provides for the calculation of a monthly charge per KWH to recover programming costs associated with modifying the customer billing system, not to exceed $\$ 29,050$ per year, plus any lost revenues associated with STOD. This monthly charge is to be applied to customers taking service under the Large Commercial Service ("LC") for LG\&E.

Attached is Exhibit 1 which presents the calculation of the factor to be applied during the period of December 2007 through November 2008. The balancing adjustment is being made for the difference in the Program Cost to be recovered in the third year and the actual recovery for the third year. This balancing adjustment is being made such that LG\&E neither overcharges nor under collects the STOD program costs.

Attached as Exhibit 2 is a calculation of the loss revenue in support of Exhibit 1.

LG\&E will begin applying the recovery factor of $\$ 0.000137$ per KWH effective with the first billing cycle of the December 2007. As specified in the Rate Schedule STOD, LG\&E will file a report on STOD by April 30, 2008 (sixmonths after the end of the third year of the pilot program) and will continue STOD and applied the recovery factor until STOD is terminated by order of the commission.

## RECEN: NOV 212007 PUBLIC SERVICE COMMISSION

Please contact me at (502) 627-3324 or Michael Hornung at (502) 627-4671 if you have any questions about this information.

Sincerely,


## Program Cost Recovery Factor Calculation

| (1) | Program Cost Recovery (4th Program Year) |
| :--- | ---: |
| (2) | Lost Revenue (3rd Program Year) (See Exhibit 2) |
| Balancing Adjustment: | $\$ 0$ |
| Program Cost Recovery (3rd Program Year) | $\$ 313,332$ |
| $\quad$ Less: Actual Recovery (3rd Program Year) |  |
| (3) |  |
| Total Balancing Adjustment | $\$ 401,238$ |
| (4) | $\$ 382,268$ |
| Total Program Cost Recovery (4th Program Year) [(1)+(2)+(3)] | $\$ 18,970$ |
| (5) |  |
| LPKWH - Projected Dec '07 thru Nov '08 | $\$ 332,302$ |
| PCRF (dollars per KWH) [(4)/(5)] | $2,433,180,109$ |
| $\mathbf{0 . 0 0 0 1 3 7}$ |  |


| （991＇EZら） | （20t＇tcs） | （1ャを＇z¢¢） | （Lsı＇s¢s） | （zol＇tss） | （tstilcs） | （888＇tzs） | （tzs＇tzs） | （toterss） | （6tz＇szs） | （81ど！てら） | （976＇：2s） |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 11も68枵 | DLH06ss | リド18ss | LS0＇gLSs | 0¢E＇09ss | $9989 \downarrow \downarrow$ ¢ |  | 696＇68Es | ¢86＊98¢ | 199＇عбєs | こLでLOカs | 1ELLLEES | fempt of oney jof passuipy |
| عLL＇96ts | $91: 8695$ | 961.6895 | gl6＇z89s | 82z＇ogss | 001くt＋S | gs8＇tuts | zso＇06Es | 986＇v9es | LLD＇Ebes |  | LeLLbes |  |
| （80L＇ゆ¢） | （929＇GS） | （169＇cs） | （LEG＇cs） | （918＇GS） | （Ebて＇bs） | （zE0 ${ }^{\circ} \mathrm{S}$ ） | （102＇Es） | （E9t＇¢S） | （ 926 ＇$¢$ ） | （901．》S） | （916＇ES） | นәлиэ๐ әпјл |
| os | $0 \$$ | OS | OS | os | 0 S | os | 0 ¢ | OS | 05 |  | $0 ¢$ |  |
| （08tizls） | （oposts） | （028＇tis） | （2เ6＇LL5） | （02がで5） | （266＇65） | （6じ「5） | （8ヶ9＇85） | （260＇85） | （6ze＇ss） | （s10＇6s） | （109\％85） | mpans rabraw |
| 120¢s | ¢98＊＊S | 128.95 | 6Ls＇zis | E992\％ | p8L＇cs | $800^{\prime \prime}$ ¢ | 986＇ss | SpCcs | 206 ＇$¢$ | t $28^{\prime} \mathrm{SS}$ | 06s＇bs |  |
| 0z6＇ts | Lzて＇zs | 081＇zs | LLI＇ts | zoo＇zs | 9LL＇IS | Ll2＇1s | 0ャて＇で | ozz＇zs | 1gc＇es | ¢ı゙で | 6Lて＇zs |  |
| 892＇99s | 601 ＇oss | Lz9＇9cs | t8て＇sps | $600^{\prime} 5+5$ | L6て＇£¢S | 92t＇Bzs | 2ヵacszs | $0{ }^{2}+615$ | 0t6＇Els | ELL＇6¢\％ | 286．72S | asnejolany |
| Lst＇szzs | Lsti 1925 | 0s5＇sczs | ャ6¢＇5szs | 190＇sezs | Zロザ80zs | cls＇sozs | ZS8＇ 2815 | ع19＇161S | 912 Czzs | $88^{\prime 6} 615$ | ¢2L＇9615 | र6ı3） |
|  | ¢0ヶ＇86で | voicoss | 0st＇88zs | ¢99＇08zs | 950．602s | 9\％9＇E615 | 2triscls | Lte＇şls | $92 \dagger$ ¢915 | －Lt＇6915 |  | риешап |
| ¢LZ＇zs | ¢くて＇てs | glz＇zs | slz＇zs | splizs | 098＇टs | sLて＇zs | －ャを＇で | sLでてS | spics | 01でで | otz＇zs | sowotsno Биม！ |
| $8 \pm E Z 0^{\circ} \mathrm{OS}$ | $8 \mathrm{8Ezo} 05$ | $8 \downarrow$ 80＇0s | 8เEZ0\％${ }^{\circ}$ | 8 8¢Z00s | $8 \downarrow$ 800 ${ }^{\circ}$ | 8 8 20＇0s | 8＋Ez\％os | Lっヤて00 | Lヶって0＇OS | L1＋200 ${ }^{\circ}$ | Litz00s | 人6ıги |
| z6zis | 26.215 | 26.215 | 26 215 | 26.215 | 26.215 | 26 zls | 26615 | ででく | zeでS | ででら | 2ezas | puwn |
| 2fors | 2101s | ziors | 2fors | ziols | 21．01s | ztors | 2tols | 2965 | 29 96 | 2965 | 25 65 | มยาม |
| 9L゙ヤLS | 92015 | 9102S | 910．5 | 9101S | 92 －bis | 92.75 | O201s | OZ゙ャ1s | 0z＇tis | OZ゙かけS | 0でゆls |  soumes |
| 02\％LS | 02\％LS | 02．15 | 02．15 | 02015 | 0201s | 02015 | 0245 | かuls | plils | －175 | mils | ләи！ <br> nepuosas－pueura |
| 00． $99 \%$ | 00\％9s | 00 g9s | 00 gcs | 00 c9s | 00 ¢9s | 00．99s | 00¢93 | 00＇995 | 00.995 | 00595 | 00 cos | Jawisn |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Escloo | gzelou | 128100 | 20eloo |  |  |  |  |  |  |  |  |  |
| LE9860 | $2 \angle 9860$ | 629860 | 299860 | $00000 \cdot$＇ | $95666^{\circ}$ | 00000 ${ }^{\circ}$ | 626660 | $00000 \cdot 1$ | $12000 \%$ | $61200 \cdot$ | $00000 \cdot 1$ |  |
| ¢ヶて＇99ャ | 2LL＇css | $6900^{\circ} \mathrm{b} \mathrm{p}$ | $0066^{685}$ | 82 l ＇6zs | Z6¢＇SZも | $4.00^{\circ} 006$ | $96 \mathrm{t}^{\prime} 89 \mathrm{E}$ | Oが加 | てเย＇＊9¢ | ャS6＇S88 | ¢08＇c9\％ | 6unl｜a |
| 989＇zlts | 19でとgss | 2で9sss | LLC＇Lpss |  | ャて9＇szps | 210＇00ps | ャて¢＇89es | opl＇tpes | จ¢て＇89¢s | 21－s8es | gos＇c9es |  |
| （98\％＇ts） | （ste＇ss） | （08Z＇Gs） | （E61＇ss） | （Lzo＇gs） | （680＇ts） | （96L＇ES） | （ 26 b＇$^{\text {c }}$ ） | （997＇Es） | （0zL＇ES） | （068＇$¢$ ） | （969＇६s） | Naniza anjen |
| os | OS | OS | 0 S | 0 S | 0 S | 0 S | 0 S | 05 | 05 |  | 05 | Вuveys bumee |
| （688＇115） | （291＇pls） | （ $9666^{\prime}$ LS） | （ 218919 S） | （เعL＇レレS） | （98が＇6s） | （698＇85） | （024＇85） | （089＇Ls） | （691＇85） |  | （SL1＇8s） | \％pajins fabiaw |
| 698＇zs | 801 ＇ts | 68t＇9s | L60＇zls | 096.15 | LOC＇ss | $26 \varepsilon^{\prime} \varepsilon S$ | 9¢9＇ss | $0 \pm 0$＇s | Z59＇Es | $999 ' 59$ | OEと＇tS | әб！eyons｜evueumonela |
| 026.15 | Lzz＇zs | 08t＇zs | L2t＇zs | 200＇zs | 921.15 | L2L＇LS | $0 ャ$＇てS | ozて＇くs | tscizs | G1E＇CS | 6L2＇Cs |  |
| 892＇99s | 601．oss | LE9＇98S | ャ8て＇sts | 6 ¢tsts | 26でと¢ | 92t＇88S | てゅ8＇¢̧¢ | 0ヶL＇615 | 076 ＇ris | عLL＇6ES | L86＇t2S | asneporns |
| sti＇002s | とい＇szzs | L68＇เ己zs | 98L＇8Lてs | عLi＇EOzs |  | 9と9＇z8レ5 | 2¢b＇5915 | 688＇6915 | عเ6＇$¢ 615$ | 269＇L415 | $088 . \varepsilon \angle 15$ | रถıaug |
| 6てがゅでら | 50か＇66zs | ¢0L＇coes | 0¢1＇88zs | ¢99082s | 990＇60zs | ¢tg＇e6 | 2が＇8LIS | LゃE＇ç1s |  | － 2 ＇6915 | 89p＇6915 | риешап |
| 008＇zs | 008＇2s | 008＇${ }^{\text {c }}$ | 008＇zs | 0t9＇zs | 0zs＇\＆s | 008 ＇zs | 088＇2s | 008＇zs | otg＇rs | ozL＇zs | ozL＇zs | 上ewoisno <br> Eumine |
| 日¢ャレ0＇0s | 8EpLo＇OS | 8Eptoos | 8Ebroos | 6981000 | 69E1000 | $69810^{\circ} 09$ | 6esioos | 88ploos | $88+1005$ | 8Eploos | 68tious | หеәд－ヶ\％ |
| tooso ${ }^{\text {as }}$ | t008009 | toocoos | toocoios | ¢¢6z0 ${ }^{\circ}$ | ¢86z00\％ | ¢¢6zoos | gcozous | \＄00800 | tooco os | tooco os | rooco os |  |
| z6zis | z6zıs | z¢zis | zezis | 26 z ¢5 | 26.215 | 26 zis | 202：s | と¢そしら | zezis | て¢てしく | 2ezis | saumis |
| 21.015 | 2tols | 2101s | 2101s | 21005 | 21015 | 2 OLS | ztors | 2S 69 | Z96s | 2c＇6s | 2965 |  |
| 92－715 | 92：015 | 920is | 9201s | 9201S | 92015 | 92015 | 92F15 | 0z＇b15 | oztis | 0でロレร |  | 3atuens |
| 01.15 | $0<215$ | $02 \cdot 115$ | $01 / 15$ | 01.15 | 0145 | 01415 | 02：15 | －1／2s | prils | ohtis | ＋1715 |  |
|  |  |  |  |  |  |  |  |  |  | 0008S |  | Nepuojes－puewag |
| 00085 | 00085 | 00085 | 00085 | 00085 | 00085 | 00085 | 00， | 00085 | 00085 | 0008s |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| 09\％＇869＇s | 08E＇986＇9 | Ob80ャL＇s | 08t＇016＇9 | 080＇882＇s |  | 021＇986＇t | Obs＇oct＇s | 098＇8gr＇b | $0 \pm 88^{\prime}+60^{\prime} \mathrm{s}$ | Oカ9＇ャレs＇b | ozz＇rıs＇t |  |
| оz＇غoo＇t | OZ6＇6カ1＇\％ | $086651{ }^{\text {a }}$ | 021＇sL6＇ | 0と9＇zzでロ | 099＊レドカ | 086＇968＇$\varepsilon$ | 096＇699＇$¢$ | 098＇899＇$\varepsilon$ | 008＇910＇ | $00 Z$＇ts ${ }^{\text {c }}$ ¢ | 086.989 ¢ | ＞еэd－ио |
| $0 \cdot 99{ }^{\text {－}}$ | $0 \cdot 989$ 乙 | $0 \cdot 90 L^{\prime}$ | 0 0¢がて | $0 \cdot 9 \downarrow \varepsilon$＇z | 0 －しでて | 08 Lt | $0 \cdot 9861$ | $000+21$ | $0 \cdot 986^{\prime}!$ | 0 Oez＇1 | $0.098 \cdot 1$ | меши¢－риешая |
| $06600^{2} 21$ | $0^{\prime} 106^{\prime} 4$ | －¢¢¢ | 0068.21 | 0196＇91 | 0 －$¢ ¢ 6$＇S | $0 \cdot 299$＇01 | － $809^{\prime}$ ¢ | $0.85 \mathrm{t}^{\prime} \mathrm{Cl}$ | $0 \varepsilon \angle 6{ }^{\circ} \mathrm{l}$ | － 291 ＇t | 0850 ＇ti | кериогеs－риешәо |
| sc | $9 ¢$ | ge | ¢ $¢$ | ce | ＊ | se | $\square_{4}$ | se | ce | Pe | － |  |
| \％0660 | \％0460 | \％0600 | $\% 0600$ | 06000 | 82060 | 90650 | 060600 | 30060 | 4000： | \％，600 1 | \％000 | niparuns neniog anten |
| \％，0000 | \％000 | \％0000 | \％0000 | \％0000 | \％0000 | \％，0000 | $\% 0000$ | \％，0000 | 9，4000 | \％000\％ | \％0000 | wsueyraw бuueys fumeg |
| \％atcta | $\%$ \％ 6 | \％¢ ¢ ¢ | \％rscz | \％stre | 066012 | \％60iz | \％ 6 hl \％ | \％6tiz | \％6012 | \％entz | \％6がを | uparuns ja6ıaw |
| \％ 6060 | \％0120 | $\%$ \％ $0^{4}$ | $\%$ \％ | \％otz己 |  | \％0680 | \％019！ | \％00ts | $\% 0250$ | \％0゙が | \％00．1 |  |
| $020050{ }^{\circ}$ | 0200008 | 000009 | 0800008 | 0800048 | 5000008 | 0600008 | 8200008 | 8000008 | 8200005 | 9200008 | arobeos |  |
| essuous | aptoues | gecouth | 915000 | betou | slebous | 0880005 | czeoros | intocios | cshobos | 127000 | 2080009 | asnejo fuamisn！py any |
| 20；100 | 20－dos | $20 . \sin$ | 20 mr | L0－unf | 20－8EW | $20-\mathrm{dd} \psi$ | 20－rew | 20－qay | 20－uer | 90－300 | $90-\mathrm{noN}$ |  |

