



Louisville Gas and Electric Company
220 West Main Street (40202)
P.O. Box 32010
Louisville, Kentucky 40232

April 23, 2004

RECEIVED

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PUBLIC SERVICE
COMMISSION

Mr. Thomas Dorman, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

**Re: Louisville Gas and Electric Company's Annual Earnings Sharing Mechanism
Filing for Calendar Year 2003, Case No. 2004-00069**

Dear Mr. Dorman:

Louisville Gas & Electric Company herewith files the attached Earnings Sharing Mechanism Form 1a, Determination of Balancing Adjustment and Earnings Sharing Mechanism Factor for the Prior Adjustment Year of April 2003 through March 2004 and the Current Adjustment Year of April 2004 through March 2005.

An Earnings Sharing Mechanism Factor of 2.360% will be applied to bills rendered during the last eleven months of the Current Adjustment Year, namely May 2004 through March 2005.

Respectfully,

Robert M. Conroy
Manager, Rates

Attachment

cc: Hon. Elizabeth E. Blackford, Assistant Attorney General
Hon. Michael L. Kurtz

LOUISVILLE GAS AND ELECTRIC COMPANY

Form 1a

Determination of Balancing Adjustment and Earnings Sharing Mechanism Factor
 Prior Adjustment Year - April 2003 through March 2004
 Current Adjustment Year - April 2004 through March 2005

1	Revenue Adjustment Authorized for Prior Adjustment Year	\$13,646,721 (a)
2	Balancing Adjustment Authorized for Prior Adjustment Year	(\$16,519) (b)
3	Total Adjustment to Revenues Authorized for Prior Adjustment Year	\$13,630,202 (c)
4	Actual Earnings Sharing Mechanism Revenues for Prior Adjustment Year	\$13,220,084
5	Balancing Adjustment for Current Adjustment Year	\$410,117 (d)
6	Revenue Adjustment for Current Reporting Period	\$13,027,688 (e)
7	Estimated Revenue Adjustment for First Month of Current Adjustment Year (1/12 of Line 6)	\$1,085,641
8	Estimated Revenue Adjustment for Last Eleven Months of Current Adjustment Year	\$11,942,047 (f)
9	Total Revenue Adjustment Plus Balancing Adjustment for Last Eleven Months of Current Adjustment Year	\$12,352,165 (g)
10	Actual Jurisdictional Revenue for the Current Reporting Period	\$570,967,505 (h)
11	Estimated Jurisdictional Revenue for First Month of Current Adjustment Year (1/12 of Line 10)	\$47,580,625
12	Estimated Jurisdictional Revenue for Last Eleven Months of Current Adjustment Year	\$523,386,880
13	Earnings Sharing Mechanism Factor for Last Eleven Months of Current Adjustment Year	2.360% (i)

- Notes:
- (a) - From Form 1 filing for Prior Reporting Period
 - (b) - From Form 1a filing for Prior Reporting Period
 - (c) - Line 1 plus Line 2
 - (d) - Line 3 minus Line 4
 - (e) - From Form 1 filing for Current Reporting Period
 - (f) - Line 6 minus Line 7
 - (g) - Line 5 plus Line 8
 - (h) - From Form 1 filing for Current Reporting Period
 - (i) - Line 9 divided by Line 12

LOUISVILLE GAS AND ELECTRIC COMPANY
Actual Earnings Sharing Mechanism Revenues

	Residential	Small Commercial	Large Commercial	Industrial	Street Lights	Public Authorities	Total
2003							
April	283,187.71	127,341.68	164,720.09	186,232.20	11,311.97	78,588.60	851,382.25
May	308,430.37	136,744.58	178,385.40	198,069.45	11,383.63	91,504.83	924,518.26
June	417,088.15	165,333.00	218,606.03	219,174.79	11,545.42	110,736.60	1,142,483.99
July	661,289.47	205,745.41	254,276.98	248,245.52	11,580.80	124,145.83	1,505,284.01
August	639,568.94	197,216.07	241,514.10	243,252.95	11,575.32	125,469.74	1,458,597.12
September	609,699.59	200,202.56	248,443.23	253,810.56	11,730.18	129,500.94	1,453,387.06
October	316,505.97	139,260.92	185,527.94	215,776.23	11,733.61	92,820.32	961,624.99
November	302,480.59	131,907.96	176,678.45	206,855.66	11,691.09	87,466.99	917,080.74
December	373,599.32	141,758.48	194,083.64	174,151.35	11,632.77	78,614.51	973,840.07
2004							
January	412,416.72	148,816.35	183,046.44	192,583.93	11,931.33	88,326.70	1,037,121.47
February	409,515.97	148,689.69	182,193.29	209,078.66	11,827.27	90,947.27	1,052,252.15
March	334,774.51	142,649.72	175,120.60	193,973.59	11,626.40	84,367.39	942,512.21
Total	5,068,557.31	1,885,666.42	2,402,596.19	2,541,204.89	139,569.79	1,182,489.72	13,220,084.32