

T65-0693

LG&ENERGY

LG&E Energy LLC
220 West Main Street (40202)
Louisville, Kentucky 40232

May 14, 2004

RECEIVED

MAY 14 2004

PUBLIC SERVICE
COMMISSION

Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

Case 2004-00200

Dear Ms. O'Donnell

Pursuant to 807 KAR 5:054, Section 5, Kentucky Utilities Company files herewith four copies of the following sheet of its Electric Tariff PSC No. 12:

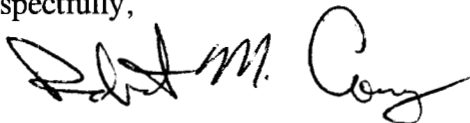
Second Revision of Original Sheet No. 22 canceling Original Sheet No. 22

This filing is being made to revise the rates for both Time-Differentiated Rates and Non-Time-Differentiated rates. As supporting documentation for these revisions and to comply with 807 KAR 5:054, Section 5 (2)(a), (b), and (c), the attached information is also being filed:

- (1) Attachment 1 showing the estimated avoided energy cost on a cents per kilowatt-hour basis during daily, seasonal peak and off-peak periods, by year for 2004 through 2009 in 100 megawatt increments;
- (2) Attachment 2 showing a 10-year plan for capacity additions, and anticipated capacity and energy costs at the completion of planned capacity additions.

The Company requests an effective date of June 14, 2004 for the revised rate schedules. Please let me know if you have any questions regarding this filing.

Respectfully,



Robert M. Conroy
Manager, Rates

Enclosures

KU
A SUBSIDIARY OF
LG&ENERGY

ELECTRIC RATE SCHEDULE

Rate SQF

Cogeneration and Small Power Producer

AVAILABILITY

In all territory served by Company.

APPLICABLE

This Rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy only from the owner of qualifying cogeneration or small power production facilities of 100 KW or less (such owner being hereafter called "Seller") installed on Seller's property to provide all or part of its requirements of electrical energy, or from which facilities Seller may elect to sell to Company all or part of such output of electrical energy.

Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under PARALLEL OPERATION.

Company will purchase such energy from Seller at the Rate, A or B, set out below and selected as hereafter provided, and under the terms and conditions stated herein. Company reserves the right to change the said Rates, upon proper filing with and acceptance by the jurisdictional Commission.

RATE A: Time-Differentiated Rate

- 1. For summer billing months of June, July, August and September, during the hours 9:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 3.124 cents per KWH.
- 2. For winter billing months of December, January and February, during the hours 7:01 A.M. thru 10:00 P.M. weekdays exclusive of holidays (on-peak hours), 1.922 cents per KWH.
- 3. During all other hours (off-peak hours), 1.802 cents per KWH.

Determination of On-Peak and Off-Peak Hours: On-peak hours are defined as the hours of 9:01 A.M. through 10:00 P.M., E.D.T. (8:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 1 above), and the hours of 7:01 A.M. through 10:00 P.M., E.D.T. (6:01 A.M. through 9:00 P.M., E.S.T.), Mondays through Fridays exclusive of holidays (under 2 above). Off-peak hours are defined as all hours other than those listed as on-peak (under 3 above). Company reserves the right to change the hours designated as on-peak from time to time as conditions indicate to be appropriate.

RATE B: Non-Time-Differentiated Rate

For all KWH purchased by Company, 1.987 cents per KWH.

SELECTION OF RATE AND METERING


Subject to provisions hereafter in this Section relative to payment of costs of metering equipment, either Seller or Company may select Rate A, the Time-Differentiated Rate, for application to Company's said purchases of energy from Seller. If neither Seller nor Company selects Rate A, then Rate B, the Non-Time-Differentiated Rate, shall apply.

If neither Seller nor Company selects Rate A, and Rate B therefore is to apply to such purchases, Company, at Seller's cost, will install, own and operate a non-time-differentiated meter and associated equipment, at a location selected by Company, measuring energy, produced by Seller's generator, flowing into Company's system. Such meter will be tested at intervals prescribed by Commission Regulation, with Seller having a right to witness all such tests; and Seller will pay to Company its fixed cost on such meter and equipment, expense of such periodic tests of the meter and any other expenses (all such costs and expenses, together, being hereafter called "costs of non-time-differentiated metering").

Date of Issue: May 14, 2004
Canceling First Revision of
Original Sheet No. 22
Issued May 10, 2002

Issued By

Date Effective: June 14, 2004


Michael S. Beer, Vice President
Lexington, Kentucky