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c/o Louisville Gas & Electric Co.  
P. O. Box 32010  
Louisville, KY 40232-2010

March 27, 2006

CERTIFICATE OF SERVICE

RE: Case No. 2006-00102  
Kentucky Utilities Company

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on March 27, 2006.

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Executive Director

BOD/sh  
Enclosure

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENTS TO THE DEMAND-SIDE	)	
MANAGEMENT BALANCE ADJUSTMENT	)	
COMPONENT ("DBA") OF THE DEMAND-SIDE	)	CASE NO.
MANAGEMENT COST RECOVERY MECHANISM	)	2006-00102
OF KENTUCKY UTILITIES COMPANY	)	

O R D E R

On March 3, 2006, Kentucky Utilities Company ("KU") filed proposed changes to the Demand-Side Management Balance Adjustment ("DBA") component of its Demand-Side Management Cost Recovery ("DSMCR") tariff. The changes are based on KU's over- or under-recovery of demand-side management program costs incurred in calendar year 2005. The proposed tariff includes an effective date of April 3, 2006. The revised DBA components, with the proposed changes, will remain in effect for 12 months.

KU's proposed revisions result in increased DBA charges to customers served under Residential Rate RS, Volunteer Fire Department Service Rate VFD, Large Power Rate LP, and Small Time-of-Day Service Rate STOD. KU's proposed revisions result in reduced DBA charges for customers served under General Service Rate GS.

Based on a review of the revised tariff and the supporting calculations of KU's over- and under-recoveries of DSM costs in 2005, the Commission finds that KU's proposed tariff changes are reasonable and should be approved effective April 3, 2006.

IT IS THEREFORE ORDERED that:

1. KU's proposed changes to its DSMCR tariff are approved effective April 3, 2006.
2. Within 10 days of the date of this Order, KU shall file its revised DSMCR tariff that shows the date issued and that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 27<sup>th</sup> day of March, 2006.

By the Commission

ATTEST:



Executive Director