



an e-on company

Elizabeth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, Kentucky 40601

RECEIVED

JUL 19 2006

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

July 18, 2006

**RE: *The Application Of Louisville Gas and Electric Company  
For Approval Of Its 2006 Compliance Plan For Recovery  
By Environmental Surcharge - Case No. 2006-00208***

Dear Ms. O'Donnell:

Please find enclosed and accept for filing the original and ten (10) copies of Louisville Gas and Electric Company's Certificate of Completed Notice in the above-referenced matter.

Please contact me if you have any questions regarding this matter.

Sincerely,

Robert M. Conroy

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUL 19 2006

In the Matter of:

PUBLIC SERVICE  
COMMISSION

THE APPLICATION OF LOUISVILLE GAS )  
AND ELECTRIC COMPANY FOR APPROVAL )  
OF ITS 2006 COMPLIANCE PLAN FOR ) CASE NO. 2006-00208  
RECOVERY BY ENVIRONMENTAL )  
SURCHARGE )

CERTIFICATE OF COMPLETED NOTICE

To: The Public Service Commission, Frankfort, Kentucky

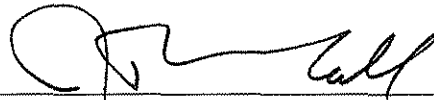
Pursuant to the Rules Governing Tariffs effective August 4, 1984, I hereby certify that I am John R. McCall, Executive Vice President, General Counsel and Corporate Secretary, E.ON U.S. Services, Inc. for Louisville Gas and Electric Company ("LG&E" or "Company"), a utility furnishing retail electric service within the Commonwealth of Kentucky which, on the 23rd day of June 2006, filed an application with the Kentucky Public Service Commission for approval of an amended compliance plan for purposes of recovering the costs of new and additional pollution control facilities and to amend its Environmental Surcharge Tariff as required by KRS 278.183, as follows:

That more than twenty (20) customers will be affected by said change by way of an increase in their bills, and that on the 9th day of June 2006 there was delivered to *The Courier Journal*, a newspaper of general circulation throughout the areas in the Commonwealth of Kentucky in which customers affected reside, for publication therein once a week for three consecutive weeks prior to the effective date of said change, a notice of the filing of LG&E's Application in this case. Publication of this notice is now complete. Affidavits confirming this publication and a copy of said notice are enclosed in the envelope marked Exhibit A.

On the 23rd day of June 2006, notice was exhibited for public inspection at the offices and places of business of the Company in the territory affected thereby, to wit, at the places listed on Exhibit B, and that the same will be kept open to public inspection at said offices and places of business in conformity with the requirements of 807 KAR 5:011, Section 8.

In addition, Louisville Gas and Electric Company included a general statement explaining the application in this case with the bills for all Kentucky retail customers during the course of their regular monthly billing cycle beginning on or about June 19, 2006. A copy of the general statement is attached as Exhibit C hereto.

Given under my hand this 18th day of June 2006.



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John R. McCall  
Executive Vice President, General Counsel  
and Corporate Secretary  
E.ON U.S. Services, Inc. for  
LOUISVILLE GAS AND ELECTRIC COMPANY  
220 West Main Street  
Louisville, Kentucky 40202

# Exhibit A

## Affidavits Attesting to Publication of Notice to Customers

**NOTICE TO CUSTOMERS OF  
LOUISVILLE GAS AND  
ELECTRIC COMPANY**

**RECOVERY BY ENVIRONMENTAL  
SURCHARGE OF LG&E'S  
2006 ENVIRONMENTAL  
COMPLIANCE PLAN**

**PLEASE TAKE NOTICE** that on June 2006, Louisville Gas and Electric Company ("LG&E") filed with the Kentucky Public Service Commission ("Commission") in Case No. 06-00208, an Application pursuant to Kentucky Revised Statute 278.183 for approval of an amended compliance plan ("LG&E's 2006 Environmental Compliance Plan") for the purpose of recovering the capital costs of operation and maintenance associated with new pollution control facilities through an environmental surcharge on customers' bills beginning February 2007, under LG&E's existing rate mechanism known as the environmental cost recovery surcharge or "Electric Rate Schedule ECR."

Federal, state and local environmental regulations require LG&E to continually build and upgrade equipment and/or facilities in order to operate in an environmentally sound manner. Specifically, LG&E is recovering recovery of costs associated with environmental projects necessary for compliance with the Federal Clean Air Act, Clean Air Interstate Rule, Clean Air Mercury Rule, the Clean Air Visibility Rule, and additional projects primarily related to particulate matter emissions monitoring, mercury emissions monitoring, Air Quality Control equipment necessary to operate Trimble County Unit 2 within approved environmental limits, and sulfur trioxide mitigation electric generating units which burn high sulfur coal. The total capital cost of these new pollution control facilities is estimated to be \$66 million.

Estimated impact on a residential electric customer using 1,000 watt hours per month is expected to be an initial monthly increase of \$0.41 for LG&E customers beginning 2007, with the maximum monthly increase expected to be during 2010.

Environmental Surcharge Application described in this Notice is filed by LG&E. However, the Public Service Commission may in order modify or deny the Environmental Surcharge Application. Such action may result in an environmental surcharge for consumers other than the environmental surcharge described in this Notice.

Any corporation, association, body or person may, by motion filed thirty (30) days after publication, request leave to intervene in Case No. 2006-00208. That motion should be submitted to the Public Service Commission, 211 Sower Blvd., Box 615, Frankfort, Kentucky, and shall set forth the grounds for the request including the status of the party. Intervenor may obtain copies of the Application and testimony by contacting Louisville Gas and Electric Company, 100 West Main Street, Louisville, Kentucky, 40202, Attention: Kent W. Director, State Regulation and Compliance. A copy of the Application and testimony will be available for public inspection at LG&E's offices. Filing fees are paid after June 23,

**THE COURIER JOURNAL & LOUISVILLE TIMES  
INCORPORATED**

**KENTUCKY  
Jefferson**

**Affidavit of Publication**

Wyatt of **THE COURIER JOURNAL & LOUISVILLE TIMES**, clerk of **THE COURIER JOURNAL** general circulation printed and published at Louisville, Kentucky, do solemnly swear that from my own personal knowledge, and reference to the files of said publication, the advertisement of:

**Public notice**

appeared in **THE COURIER JOURNAL** as follows:

Date	Lines
6/28/06	101
7/5/06	101

*Michelle Wyatt*

(Signature of person making proof)

Subscribed and sworn to before me this 12th day of July, 2006

*Lisa A. Schweinhart*

Lisa A. Schweinhart/ Notary

Commission expires February 20, 2010

# Exhibit B

List of LG&E's Offices and Places of Business  
Where Notice to Customers is Exhibited

Broadway Office Complex, Louisville, Ky.

# Exhibit C

Copy of the General Statement Included  
In Customers' Bills During the Course  
Of their Regular Monthly Billing Cycle  
Beginning On or About June 19, 2006

**Dear LG&E Customer:**

Louisville Gas and Electric Company ("LG&E") has a dual commitment of environmental stewardship while simultaneously continuing to offer our customers some of the lowest energy rates in the country. Protecting and improving our environment are core values held by LG&E and advanced by LG&E in all its service territories within the state of Kentucky. To continue to comply with federal laws and regulations, LG&E must continue to invest in additional pollution control facilities. Currently, LG&E is seeking Kentucky Public Service Commission ("KPSC") approval to install additional emissions monitoring equipment and other pollution control equipment on several generating units. Following KPSC approval, the costs associated with the facilities would be passed on to retail customers through the existing Environmental Surcharge billing factor. LG&E estimates that the initial impact would be an increase in the environmental surcharge of \$0.41 per month for a typical residential customer using 1,000 kWh per month. The announcement below is included to comply with KPSC regulations regarding notice of tariff changes to customers. If approved as filed, this change in rates will be included on customer bills no sooner than February 2007.

NOTICE TO CUSTOMERS OF  
LOUISVILLE GAS AND ELECTRIC COMPANY

RECOVERY BY ENVIRONMENTAL SURCHARGE OF LG&E'S 2006  
ENVIRONMENTAL COMPLIANCE PLAN

**PLEASE TAKE NOTICE** that on June 23, 2006, Louisville Gas and Electric Company ("LG&E") will file with the Kentucky Public Service Commission ("Commission") in Case No. 2006-00208, an Application pursuant to Kentucky Revised Statute 278.183 for approval of an amended compliance plan ("LG&E's 2006 Environmental Compliance Plan") for the purpose of recovering the capital costs and operation and maintenance costs associated with new pollution control facilities through an environmental surcharge on customers' bills beginning February 2007, under LG&E's existing rate mechanism known as the environmental cost recovery surcharge or "Electric Rate Schedule ECR."

Federal, state and local environmental regulations require LG&E to continually build and upgrade equipment and/or facilities in order to operate in an environmentally sound manner. Specifically, LG&E is seeking recovery of costs associated with environmental projects necessary for compliance with the Federal Clean Air Act, Clean Air Interstate Rule, Clean Air Mercury Rule, and the Clean Air Visibility Rule. These additional projects primarily relate to particulate matter emissions monitoring, mercury emissions monitoring, Air Quality Control System equipment necessary to operate Trimble County Unit 2 within the approved environmental limitations and sulfur trioxide mitigation on electric generating units which burn high sulfur coal. The total capital cost of these new pollution control facilities is estimated to be \$66 million.

The estimated impact on a residential electric customer using 1,000 kilowatt hours per month is expected to be an initial monthly increase of \$0.41 for LG&E customers during 2007, with the maximum monthly increase expected to be \$0.81 during 2010.



The Environmental Surcharge Application described in this Notice is proposed by LG&E. However, the Public Service Commission may make an order modifying or denying LG&E's Environmental Surcharge Application. Such action may result in an environmental surcharge for consumers other than the environmental surcharge described in this Notice.

Any corporation, association, body politic or person may, by motion within thirty (30) days after publication, request leave to intervene in Case No. 2006-00208. That motion shall be submitted to the Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky, 40602, and shall set forth the grounds for the request including the status and interest of the party. Intervenors may obtain copies of the Application and testimony by contacting Louisville Gas and Electric Company at 220 West Main Street, Louisville, Kentucky, 40202, Attention: Kent W. Blake, Director, State Regulation and Rates. A copy of the Application and testimony will be available for public inspection at LG&E's offices where bills are paid after June 23, 2006.