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Governor

Mark David Goss
Chairman

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Commissioner
Department of Public Protection

January 31, 2008

Lonnie E. Bellar
E.ON U.S. Services, Inc.
220 West Main Street
Louisville, KY 40202

CERTIFICATE OF SERVICE

RE: Case No. 2007-00521
Louisville Gas and Electric 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 January 31, 2008.

Executive Director

BOD/rs
Enclosure



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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR APPROVAL)
OF REVISIONS TO ITS TARIFF GOVERNING) CASE NO. 2007-00521
RECOVERY OF FRANCHISE FEES)

O R D E R

Pursuant to 807 KAR 5:011, Section 6(3)(a), Louisville Gas and Electric Company ("LG&E") filed an application seeking approval of a proposed revision to LG&E's franchise fee and local tax standard rider. Specifically, LG&E sought to amend its franchise fee and local tax rider to include the city of Pleasureville, Kentucky in order to begin prospectively collecting the franchise fee from customers receiving service in the city of Pleasureville.

In support of its application, LG&E states that the Commission had previously granted it a Certificate of Public Convenience and Necessity to bid on a gas franchise in the city of Pleasureville.¹ LG&E subsequently placed a successful bid on that franchise. LG&E and the city of Pleasureville entered into a franchise agreement ("Pleasureville Franchise") on October 3, 2005. However, to date, LG&E has not collected any amounts from its customers pursuant to the Pleasureville Franchise as a result of an oversight in amending its applicable tariff.

¹ Case No. 2005-00173, Application of Louisville Gas and Electric Company for a Certificate of Public Convenience and Necessity to Apply for a Franchise from the City of Pleasureville (Ky. PSC May 5, 2005).

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that LG&E's request to revise its tariff as proposed is reasonable.

IT IS THEREFORE ORDERED that:

1. LG&E's proposed tariff revision is approved for service rendered on and after February 1, 2008.

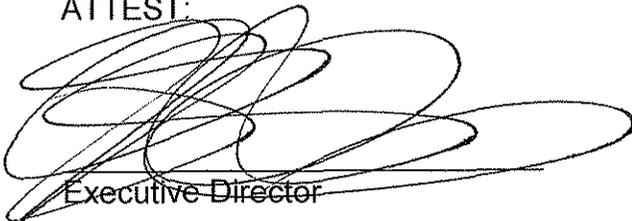
2. LG&E shall file with the Commission, within 20 days of the date of this Order, its revised tariff sheet setting out the revision approved herein, the date of issue, and stating that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 31st day of January, 2008.

By the Commission

Commissioner Clark Abstains.

ATTEST:



Executive Director