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April 15, 2005

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APR 15 2005

PUBLIC SERVICE
COMMISSION

VIA HAND DELIVERY

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

RE: In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity, and a Site Compatibility Certificate, for the Expansion of the Trimble County Generating Station
Case No. 2004-00507

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and ten copies of Louisville Gas and Electric Company's and Kentucky Utilities Company's Amended Joint Application in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Very truly yours,

J. Gregory Cornett

JGC/ec

Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

APR 15 2005

PUBLIC SERVICE
COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY AND KENTUCKY)
UTILITIES COMPANY FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY,)
AND A SITE COMPATIBILITY CERTIFICATE,)
FOR THE EXPANSION OF THE TRIMBLE)
COUNTY GENERATING STATION)

CASE NO: 2004-00507

AMENDED JOINT APPLICATION

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively the "Companies"), pursuant to the April 11, 2005 Order of the Kentucky Public Service Commission ("Commission") in this matter, hereby amend their joint application for the purpose of seeking the Commission's approval of the sale of certain property to the Illinois Municipal Electric Agency ("IMEA") and the Indiana Municipal Power Agency ("IMPA").

In support of this Amended Joint Application, the Companies state as follows:

1. The Companies hereby adopt and incorporate by reference their previously-filed Joint Application, in its entirety and including all exhibits, attachments and supporting materials, as if fully set forth herein.
2. On July 1, 1988, the Commission entered an Order in Case No. 9934, ordering a "disallowance of 25 percent" of Unit 1 ("TC1") at the Trimble County Generating Station ("Trimble Station").

3. In response to that 25% disallowance, LG&E removed 25% of the total property costs associated with the Trimble Station from its books, which removal was accounted for in the calculation of the rate base in Case Nos. 90-158, 98-426 and, most recently, 2003-00433.

4. On September 24, 1990, LG&E entered into a Participation Agreement with IMEA ("IMEA PA") which, among other things, provided for IMEA to acquire a 12.12 percent undivided ownership interest, as a tenant in common, in TC1, granted IMEA a non-exclusive license to use certain of the general plant facilities at the Trimble Station, and provided a right of first refusal to IMEA to participate at that same level in any second coal-fired baseload generating unit constructed at the Trimble Station. A copy of the IMEA PA was filed with the Commission in the proceeding involving the Companies' 2002 Integrated Resource Plan, Case No. 2002-00367.

5. On February 1, 1993, LG&E entered into a Participation Agreement with IMPA ("IMPA PA") which, among other things, provided for IMPA to acquire a 12.88 percent undivided ownership interest, as a tenant in common, in TC1, granted IMPA a non-exclusive license to use certain of the general plant facilities at the Trimble Station, and provided a right of first refusal to IMPA to participate at that same level in any second coal-fired baseload generating unit constructed at the Trimble Station. A copy of the IMPA PA was filed with the Commission in the proceeding involving the Companies' 2002 Integrated Resource Plan, Case No. 2002-00367.

6. On February 9, 2004, LG&E, KU, IMEA and IMPA, in accordance with their good faith contractual requirements under the IMEA PA and IMPA PA, entered into a new Participation Agreement (the "2004 PA") providing for the participation of IMEA and IMPA, pursuant to the rights of first refusal previously granted to them, in the proposed 750 MW

nominal net supercritical pulverized coal fired baseload generating unit at the Trimble Station ("TC2"). That PA provides that TC2 will be owned by the parties as tenants in common, with IMEA owning 12.12 percent, IMPA owning 12.88 percent, and LG&E and KU owning the remaining 75 percent, and also grants IMEA and IMPA a general license to use certain of the general plant facilities. A copy of the 2004 PA was filed with the Commission in this proceeding on February 25, 2005, in response to Commission Staff First Data Request No. 11(d).

7. On June 11, 2002, the Commission entered an Order in Case No. 2002-00029, providing, among other things, that "LG&E and KU shall seek Commission approval prior to entering into a sale or lease of any land located on any existing generation sites."

8. Article 6.2.2 of the 2004 PA addresses the anticipated sale to IMEA and IMPA of a 25% undivided ownership interest in the land underlying the TC2 unit. That anticipated sale involves land which was removed from rate base pursuant to the Commission's disallowance in Case No. 9934.

9. The total acreage associated with the TC2 unit footprint is approximately 6.5 acres. The original cost of that land was \$10,636, or \$1,636 per acre. A March 2001 independent appraisal assessed the fair market value of the land at the Trimble Station, including that which will underlie TC2, to be \$8,600 per acre, which results in a total appraised value of \$55,900 for the approximately 6.5 acres that will constitute the TC2 unit footprint.

10. Pursuant to the terms of the 2004 PA, IMEA and IMPA will together pay a total of \$25,000 for their collective 25% undivided ownership interest in the land underlying TC2, which reflects a price per acre of \$15,385. That price exceeds both the original cost and the appraised value of the land as set forth in the preceding paragraph.

11. The proposed sale of a 25% undivided ownership interest in the land underlying the TC2 unit is fair, just and reasonable, for all of the reasons set forth above, and the approval of that sale, together with the other necessary regulatory approvals required for TC2 as otherwise described in this proceeding, will allow the Companies to move forward with the joint development of TC2 with IMEA and IMPA, to meet the requirements of the public convenience and necessity and for the benefit of the Companies' ratepayers.

WHEREFORE, Louisville Gas and Electric Company and Kentucky Utilities Company hereby request the Commission to issue an Order granting the Companies the authority to sell a 25% undivided ownership interest in the land underlying the TC2 unit pursuant to the terms of the 2004 Participation Agreement with the Illinois Municipal Electric Agency and Indiana Municipal Power Agency, and for all other relief requested in their Joint Application.

Dated: April 15, 2005

Respectfully submitted,



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Counsel for Louisville Gas and
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Verification

The undersigned, Kent W. Blake, Director of State Regulation and Rates for LG&E Energy, LLC, hereby states that he has read the foregoing Amended Joint Application and that the statements contained therein are true and correct to the best of his knowledge and belief this 15th day of April, 2005.

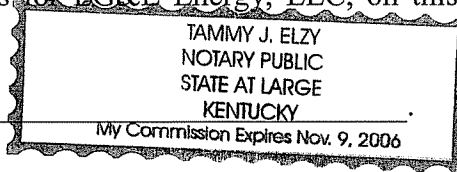
Kent W. Blake

KENT W. BLAKE

STATE OF KENTUCKY)
COUNTY OF JEFFERSON)

The foregoing verification was subscribed and sworn to before me by Kent W. Blake, as Director of State Regulation and Rates for LG&E Energy, LLC, on this 15th day of April, 2005.

My commission expires: _____



Tammy J. Elzy

NOTARY PUBLIC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Application was served on the following persons on the 15th day of April 2005, U.S. mail, postage prepaid:

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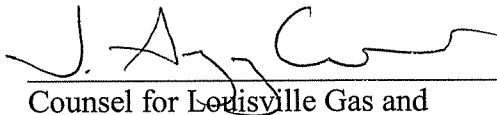
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