

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF)	CASE NO. 2009-00508
LOUISVILLE GAS AND ELECTRIC)	
COMPANY FROM MAY 1, 2009)	
THROUGH OCTOBER 31, 2009)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 27, 2010, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Louisville Gas and Electric Company ("LG&E") for the six-month period that ended on October 31, 2009. As part of this review, LG&E submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing on this matter on March 23, 2010.

The Commission has previously established LG&E's base fuel cost at 20.58 mills per kWh.¹ A review of LG&E's monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 18.53 mills in October 2009 to a high of 19.94 mills in August 2009, with a six-month average of 19.27 mills.

¹ Case No. 2008-00521, An Examination of the Application of the Fuel Adjustment Clause of Louisville Gas and Electric Company from November 1, 2006 through October 31, 2008 (Ky. PSC May 28, 2009).

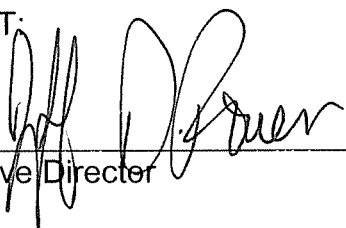
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of LG&E's FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by LG&E through its FAC for the period May 1, 2009 through October 31, 2009 are approved.

By the Commission

ENTERED *gw*
MAY 17 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

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